

*Nov/70*

THE  
LLOYDMINSTER & DISTRICT  
AGRICULTURAL  
CO-OPERATIVE ASSOCIATION  
HILLMOND BRANCH LIMITED

THE  
LLOYDMINSTER  
STORY







In an introduction I am told that the author is to describe why and how the book came to be written. In writing a local history, I've also been told that I should say what I know, list my references and then scam out of town. However, that we will not do.

To begin "why" the book was written goes back to the Co-op Board's decision to celebrate its Golden Jubilee with a small pamphlet or booklet on the history of the Co-op in Lloydminster. When George Baynton approached me to see if I would attempt this job for the 'Times', it sounded like a couple of week's work, and it would be a good literary exercise as well as acquainting me with a little local history. Fred Clark, the Public Relations Officer for the Co-op, related to me that they thought a nicely printed eight to sixteen page booklet was what they had in mind.

During January, February and April, I read minutes of the Greenwood Branch of the Saskatchewan Grain Growers and local Co-op minutes. During April I interviewed people and by May 5 the first three chapters were written and read to Fred Clark and Leo Doucet. It was then decided that this pamphlet or booklet might go to thirty-two pages and subsequently I read in the minutes where Mr. Doucet asked the Board to let me write the full story.

However, the full story has not been written, nor will it ever be written. In writing of a grassroot organization like the Lloydminster Co-operative, there are too many people with too many stories for the whole or full story to be written. So to recount the entire period of history covered by the Co-op it was expedient to write it in terms of managementships, in the same way a national history may be written around kings, governors, or prime ministers; or church histories around clergymen. It is not that these men made the history or are the whole history, but it is under their influence, participation and direction that the people are moved to make history for their community through co-operation.

During the writing of this book Sir Winston Churchill celebrated his 90th birthday and died. Television tribute and coverage was extensive. During the war years when Churchill was phenomenal as a statesman, the account given by television made it appear as if he won the war himself. We know this isn't true. But the British victory and success is epitomized by the strength and duress of this one man. This Co-op history is written the same way. The success and failure, the strength and weakness of the whole association is epitomized in the strength and weaknesses of the managers and direction of the times in which they served.

This book was due in 1964. It will be printed in time for our Nation's Centennial. If an apology is due to the membership for the lateness of this book, then I am truly sorry. At the same time there are two very genuine reasons why the book could not have been finished in 1964. The first reason was that the Co-op was making history faster than it could be written.



1964 saw the Clinic opened, Shortell & Miner-Gulak property bought for parking, Propane Plant opened, and the Employee Incentive Plan initiated. The Bulk Fertilizer plant and the proposed amalgamations with Wilton and Maidstone were all in the planning stages in 1964. The need for garage expansion and a Feed Mix Mill plant were also discussed in 1964 but only realized in 1966. There was just too much going for the Co-op in 1964 for the book to be written, published and distributed then. The second reason for its delay is that the book has been written in the spare time of a clergyman in an active and growing ministry. It was these two reasons that created the delay but it is hoped that like good whiskey, past history improves with age.

In extending gratitude and appreciation I must begin with George Baynton of the Lloydminster Times, who nominated me for the privilege and opportunity to write this history and for his counsel during its writing. Also, I thank him for letting me quote extensively from the Lloydminster Times and Mrs. Whetton's "The Promised Land" also published by the Lloydminster Times. My gratitude to the board of directors and Mr. Doucet for extending me the opportunity to write their history. Mr. Doucet has been invaluable in the writing of this history and his insight, knowledge and patience has been contributive to seeing the work completed. He has encouraged me and contributed much reference material as well as patiently stood on call all hours of day and night to answer a question or supply a detail needed for clarification. I thank all the people who let me interview them. The stories and experiences related were wonderful and sometime I would like to write a book on these alone. I would be remiss in not thanking my wife-Madeline-who has typed and proofread the script so often that she can tell you the history of the Co-op better than I can.

I should here like to thank two men who are not aware that this book is being written, but who played a very determinative and influential role in any literary career that I might embark upon. In 1957 I graduated from a liberal Arts college and at no time was my writing or grammar ever criticized for being particularly faulty, but in my seminary years I ran into Dr. D.K. Andrews, my Old Testament Professor, who had a sharpened red pencil that marked up my essays so much for faulty grammar, etc., that they were returned truly battle-scarred. Another professor, Dr. Neil G. Smith, befriended me and soon I had him checking my essays, pointing out faulty structure and giving me vital tips on grammatical structure and usage. I am profoundly indebted to both these men-one who disciplined me and the other who schooled me in all that I really know about writing.

David W. Paterson

Lloydminster, Saskatchewan  
December 13, 1966



# *The Lloydminster Co-op Story*

The purpose in publishing this most interesting historical review of the founding and growth of Lloydminster and District Agricultural Co-operative Association Limited - one of the oldest retail co-operatives in Canada - is to satisfy the desire to mark the occasion of its 50th anniversary in a useful and appropriate manner.

It is the hope of the directors that those who read this history will gain a better insight into the objectives and possibilities of consumer co-operatives generally and, more particularly, the intangible benefits which have resulted from co-operative action by people of the community.

Lloydminster Co-operative is wholly owned and controlled by the members it serves. The directors, elected by the members, have always been jealous of their authority and exemplary in carrying out their responsibilities. The control of Co-operative policy remains in the hands of the members in the community and while the majority of the board has always been rural, oriented board members have never been afraid to lead the field in providing more and better services to the community.

Of great importance to a younger and growing community is the fact that the officers and key personnel of the co-op centre are permanent residents of the community and the savings made by the co-op centre are returned to the members of the community based on their patronage. The directors are proud to point out that policy has never allowed special privileges to directors or key personnel. The association provides its members with possibly the broadest services ever given to a community co-operatively on the Continent.



The contribution to the community, materially and socially, has been going on continuously for the past 50 years. Many members of the organization have served as civic leaders, been active on service clubs, church and school organizations as well as being active in sports and recreation groups, etc.

Our staff members are part of the community and some co-operative employees who have retired still make their home in the City of Lloydminster and surrounding districts. While the Co-operative has always been "Consumer Oriented" (anxious to supply its members with the maximum benefits) it nevertheless has been proud to lead the field in setting sound staff policies and recognizing the material needs of its employees.

The Co-op in this trading area has assets of over \$2-1/4 million and since its inception has paid out to its members over \$1-1/4 million in cash. In the last 5 years it has spent in excess of \$700,000 in expansion. It serves the needs of over 6,000 members and has adopted a policy of providing a complete service to the 50-mile radius trading area.

It is with pride that the directors, in marking the 50th milestone, express their gratitude to previous directors and staff for having seen fit to lay the foundation for a truly community owned and controlled organization. The directors are resolved to build for the future, with sound policies, with the same objectives in mind as laid down by our predecessors, which are to provide our members with their wants, needs, and services - providing these on a competitive basis and returning the saving derived therefrom to the members on the basis of patronage.

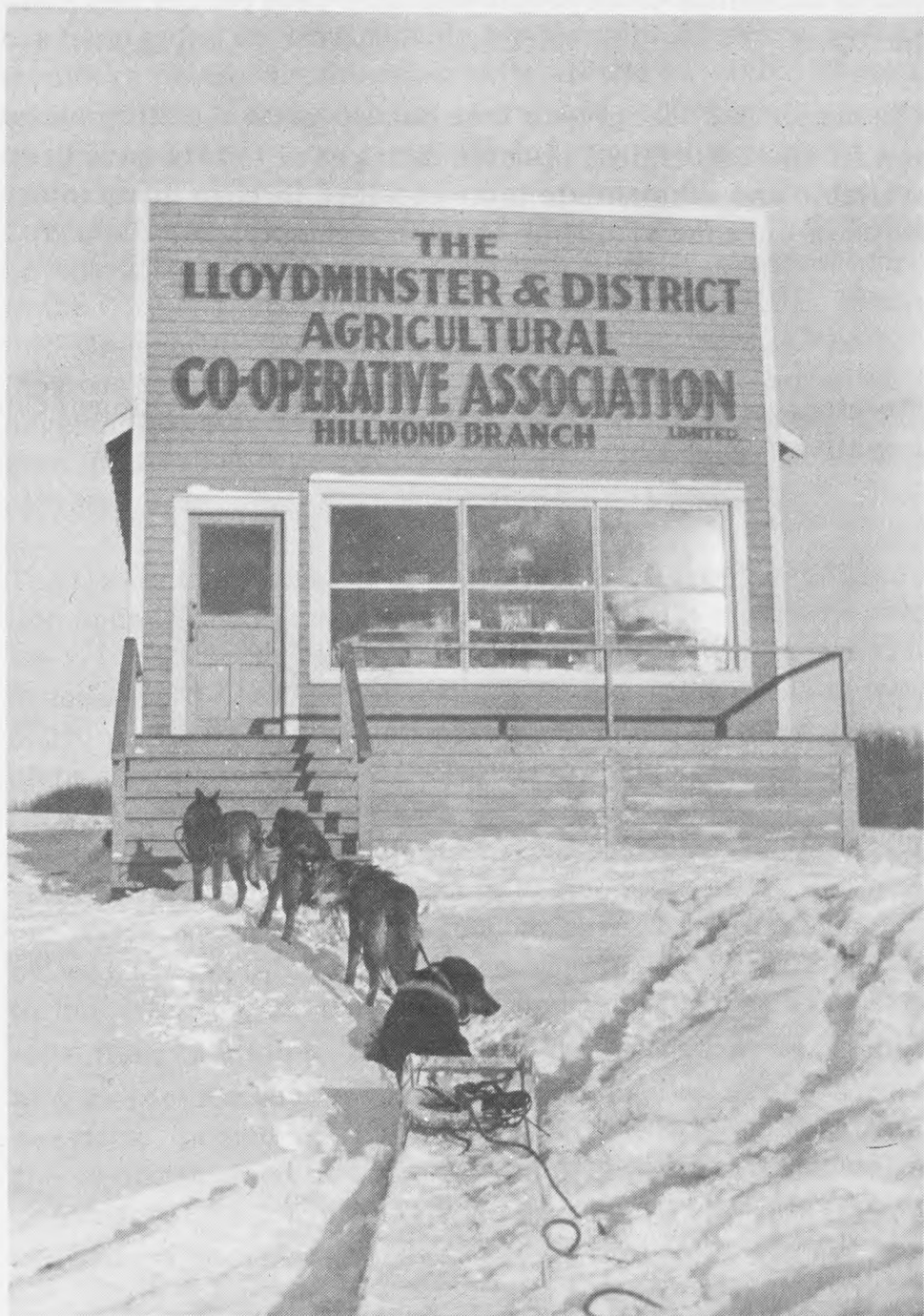
This book, with its reminders of the people and the way the co-operative has come, sets out and stirs memories in the



hearts and minds of all people who have been part of this community.

The author has been given a free hand to write the story as he saw fit and the original minutes dating back to 1914 have been available and substantiate facts obtained through many interviews of old time residents of the community.

Directors of the Lloydminster & District Agricultural Co-operative Association Limited. 1966.



***"Mans' Best Friend" in an Early Role.***

*Picture taken 1935 - Hillmond Branch still in operation, rendering service.*



## *1914.....What a year*

The year was 1914. That was the year the First World War broke out! The month was June. Archduke Ferdinand of Austria, the heir to the throne of the Austro-Hungarian Empire, was assassinated in that Serbian town of Sarajevo on June 28. His death precipitated the war. It was an important year for the big world....and an equally important year for little Lloydminster. That year and that month the Co-op was born. Yes, on June 12, 1914, The Lloydminster and District Co-operative Association came into being.

1914.....what a year! Little boys and local youths shot gophers and collected 3¢ a tail for them. Colin Wright that year made \$16.50 that way. You could get a plowshare sharpened for 45¢ at Whitbred and Elkington, the local blacksmiths. Coal oil sold for \$10.60 including the barrel and pigs sold for 5-3/4¢ to 7¢ a pound but then it cost you 10¢ to have the pig weighed. A hired farm hand received \$1.25 a day for his dawn to-dusk labours.

Canadians in May, 1914 read headlines of the sinking of the Empress of Ireland. It was a Canadian ship sinking in a Canadian River losing 969 Canadian lives. On August 4 Canada entered the war. In 1914 the country has fewer than 3,000 regular soldiers, scarcely the beginnings of a navy and practically no manufacturer of war supplies. But the 1914 war enlisted 628,000 men into Canadian uniforms, sent 424,000 Canadian troops overseas, of whom over 60,000 never returned.

In 1914 Lloydminster was still two communities. There was a Saskatchewan town and an Alberta village. Each managed its own municipal affairs and each organized its own fair. August 18, 1914 the Saskatchewan town has its fifth fair. The late fair, or Alberta fair was Friday, October 2. The first prize of \$3.00 for kohl rabi went to Colin Wright.

The community danced and socialized in Wood's Hall where Floor-On is now located. They sang songs like 'Tipperary' and 'Redwing'. The old post office stood where the new building stands today. W.L. Cameron had his store where R.J.R. Noyes now has his Meridian Used Car Lot. Archie Miller's dad and uncle built that store in 1903 and it was the first free enterprize business in the colony. The Miller's lived in a covered sleigh in the winter of '03 until that store was completed, when they moved to the upstairs quarters above the store.

Cumming's & Cameron bought out the Miller store in 1906. A new Miller residence was built and existed where the C. P. R. tracks now lie just west of the present station, and their basement cellar had to be filled in to lay the tracks. Archie, of course, lived in his tent for 13 years and if the Dominion Fruit Company had existed then on the place where it operates now, trucks would have had a devil of a time backing up to the platform while trying to avoid Archie's tent.

H.B. Hall's store, the second store organized in town in 1903, faced Medical Hall on Broadway and only after the 1929 fire was the front door changed to face Church Street. Church Street, which is now 50th Street, was so named because the Baptist Church and the Old Log Minster Church were situated along it. That street in one block had two hotels - the Royal George where now the Town House Dress Shop stands and the Britannia, which was never reconstructed after the great fire. The ladies department of the present Co-op now occupies the area where the Britannia Hotel once stood.

The Bank of Commerce and the Royal Bank of Canada metered out the cash loans and cared for whatever savings people had in those days. The Lloydminster Times was here in 1914 - same place - same structure - and except for equipment and personnel, Times haven't changed much!

But things were on the march. Out of the interest of the local Saskatchewan Grain Growers Associations in the district and the 'pockets of socialism' that existed in Greenwood and Blackfoot.....with lots of produce on hand but no cash in people's pockets.....things were bound to change.....and change they did.

## 2. THE FIRST CO-OPERATIVE

Co-operation was nothing new to the Barr Colonists, not for that matter really new to the area of Lloydminster in 1914.

It has to be remembered that the founding Fathers of Lloydminster in 1903 were englishmen and many of them were from the heart of Northern and Central England where co-operative enterprise had been in existence for nearly 60 years. Many of the Barr Colonists were acquainted with the philosophy, organization and certainly the benefits of co-operative enterprise. Secondly, it has to be realized and constantly remembered that no adventuresome undertaking and bold enterprise suggested by Barr and associates could ever succeed without co-operation.

Even before the SS Lake Manitoba set sail, co-operation was planned. Isaac Barr, in his pamphlet of the proposed settlement, urged co-operative measures and even outlined good farming practices. From the response Barr received and applications made to join the colony, many people "sent money for co-operative store shares; and medical shares.....". (1) On board the boat, specific plans were made that co-operation among the colonists be secured. No one would dream of having 2,000 green colonists enter the untamed wilderness of the Northwest Territories without specific plans and arrangements that these people would be fed and equipped for the life they were planning and the civilization that they would establish.

(1) C. Wetton: The Promised Land, p. 8



The Canadian Government realized this, too, and explains why William Riddington, an immigration officer, was sent to reside in the colony and oversee the welfare of these pilgrims.

The first co-op in Lloydminster was not the Co-op as we understand it and know it today. The first co-op was not a business enterprise or an established association. It was a project whereby goods were made available. Guaranteed supplies of foodstuffs and farm equipment and building materials had to be established, and it was primarily through the efforts of Nathaniel Jones and the immigration officer, William Riddington, that these arrangements were fulfilled and the access of supplies were guaranteed through Co-operation of the colonists themselves.

Co-operation was always in the minds of the Barr Colonists. Mrs. C. Wetton in her book, 'The Promised Land', describes how the colonists, on their arrival in Saskatoon, were subjected to many profiteers. As the story goes, Mr. Barr had written a letter to these merchants asking for a percentage or dividend on all the business that the colonists provided them. The letter was never really proven to be written by Barr but the letter did prove to be Barr's suicide as leader of the colonists. He remained leader in name until disposed of later by a unanimous resolution of the settlers.

The crowds shouted for Reverend Lloyd and it was then that Lloyd became the people's leader of the colony. His address to the colony that day reflected the influence co-operative enterprise had on these people. He said, in part, "..... there is only one thing you can do, take to the trail and get up to the colony. You need not trade at Barr's store unless you want to. You can start a co-operative store of your own. This is a free country."

That first co-operative store was run by Nathaniel Jones. Needless to say it was not a paying proposition but it kept the

people fed, clothed and supplied with the necessities they very much needed and depended on.

Mrs. Wetton describes vividly Nathaniel Jones' first co-operative store. "Pitch forks and pie plates, salt, axle grease and knapsacks, but no sugar, nor butter, nor coal-oil (or paraffin, as the English colonists called it). Such was the conglomeration of supplies in the marquee of Barr's co-operative store that the committee found on their arrival at the Colony after Barr's hasty exit from the scene. Orders had been sent through to Saskatoon for food supplies, and these were beginning to arrive by ox wagon and, of course, much faster when horses were used. In the meantime the committee appointed honest Nathaniel Jones as storekeeper. His first task was to divide up such stock as Barr had left, so that those residents in the Colony could take their share. Others who had not gone up to the Colony had their share of supplies sold, and the money so raised, forwarded to them."

"Nathaniel in the marquee, hemmed in by mountainous stacks of flour, spades, axe handles, salt and syrup, hang-over of Barr's once famous monopoly, was a memory the old-timers cherished. How at his age he ever succeeded in achieving the inside of the tent to do business was something of a mystery. But good-humored, pipe-smoking Nathaniel took everything in his stride."

When it was necessary to close 'Nathaniel Jones' Marquee', the Canadian Government took over and, from the Immigration Hall, William Riddington kept 'body and soul' of the colonists together with a similar organization of Jones' but Government sponsored.

These arrangements continued until they were no longer necessary. When Miller Bros. opened up, followed two or three months later by H.B. Halls, then this first co-operative arrangement died its natural death. But organized co-operation

was anything but dead. It was alive in the minds and hearts of many of those settlers who knew the British co-operative movement-and the success of the "Society of Equitable Pioneers" who pioneered and succeeded in the Rochdale experiment.

## *By Co-operation why can't we ?...*

*Your strongest weapon is your purchasing power, provided it is organized.....Dr. W. King (1786-1865)*

While the co-operative ventures of Nathaniel Jones and William Riddington were not financial successes, co-operation was far from dead in Lloyminster. Many of the English Barr Colonists were acquainted with the projects of Dr. William King, the Chartists and even Robert Owen, the earliest reformers in the field of co-operation enterprise.

Robert Owen (1771-1858) was a Welshman who became a wealthy industrialist through his own factory at New Lanark on the bonnie banks of the Clyde in Scotland. His purpose was to abolish the evils of white and child slavery that came with the Industrial Revolution. In his own factory he raised wages, shortened the working hours, improved working conditions and didn't hire children under ten years of age. His plan was that other employers should do the same. His plan was idealistic....perhaps too idealistic to the point that it proved impractical, because other employers did not follow suit or have the same compassion for the workers. But it must be said for Owen that while his plan failed, "his influence on the co-operators who came after him was very great."

One of those who succeeded Robert Owen was Dr. William King (1786-1865), a physician who early in life became interested in emancipating the worker from slavery. King recognized the weakness of human nature and thus realized co-operation would never come from the top down. The failure of Owen's plan made King see that any reforms-even co-operative concerns



-must be established by the people and not for them. Owen's work was entirely philanthropic and charitable.

King proposed instead that the employee should become his own employer. To this end he organized workmen's production co-operatives, which were to be the basis of a plan by which the workers of a community would acquire the ownership of land and factories for their own use. These co-operatives also failed in time, although there were 300 at one time in existence.

While Dr. King's co-operatives failed, his writings on consumer co-operation soon earned him the title of 'Father of British Co-operation'. He initiated the publication 'The Co-operator'. King emphasized the fact that the worker had no control over his wages but that he could control prices through co-operation. His confidence in the idea of consumer co-operation is expressed in his statement; "Your strongest weapon is your purchasing power, if it is organized; if unorganized, it is a weapon that is used to keep you in subjection."

Eventually the experiments and failures in co-operative undertakings and the study by those who were looking for a better life for the workers led to the founding of the successful co-operative store in Rochdale, England, on which the British movement was built.

Twenty-eight believers, saving two or three pence a week for a year until they had twenty-eight pounds, founded their society-The Rochdale Society of Equitable Pioneers, opened their store on Toad Lane, December 21, 1844, and have, ever since, been the inspiration behind co-operatives throughout the world.

It was in the 'faith of their fathers' that many Barr colonists saw their economic salvation in the untamed wilderness of the Northwest Territories. Bush clearing and land breaking were hard work. Below zero winters were new experiences. Farming was a new vocation to many of these new citizens. After

they were established and had grain to sell and livestock to market, there was no organized methods of distributing and marketing their goods. There was no railroad. There was no positive co-operation from the Government.

While there was no general 'hand-to-mouth' existence, the living situation of the settlers was not easy. With no way of getting rid of their grain or marketing their livestock, they had no money to buy the necessities they needed or the equipment and machinery they required. It was under such conditions that the grain growers united and socialism became the passionate religion of many people.

Greenwood and Blackfoot became known as "pockets of socialism". In 1910 and 1911 the Greenwood Community was listening to its young prophet, Stanley Rackham, delivering papers on 'The Ideal Agriculture Community; The Benefits of Co-operative Enterprises; and The Marketing of Farm Products'.

In the year immediately preceeding the formation of the co-operative association they 'discussed' much, and often this was 'animated discussion', the need for and the benefits of organized co-operation. Greenwood Community was zealous in its effort for such organized co-operation that active and financial support was given to maintaining a lobby in Ottawa and Regina to ensure "cheap and easy incorporation of co-operative legislation to become inscribed on the statute books of this Dominion". The lobbyists were maintained by 'per-capita levy' on the members to insure that they would look after farmers' interests in parliament. Even in these days the member of parliament was bombarded with letters from his constituents that he must not forget the farmer at home.

In 1910, Prime Minister Laurier came to Lloydminster and Messrs. Rackham and Hollingworth were delegated to represent Greenwood before him and discuss with him the matters of terminal elevators, Hudson Bay Railway, co-operative legislation and chilled meats.....the early term for refrigerated

cars and locker plants. Greenwood even delegated J. Almond to go to Ottawa in this regard.

It wasn't until 1914 that the Saskatchewan Legislature finally passed its Agriculture Co-operative Association Act, but intense activity in the Lloydminster area never faltered for the same. Messrs. Rackham, Pensom and Almond were constantly attending conventions here, and a meeting there, to get legislation through.

Co-operative buying in bulk always existed in the area. Through the Saskatchewan Grain Growers Association the farmers were always able to buy in bulk such items as binder twine, lumber, fenceposts, nails and formalin. When the goods arrived, the stuff was dumped in a farmer's yard or picked up at the train tracks, and everyone came to pick up what they had ordered.

December 20, 1913, at the monthly meeting of the Greenwood Branch, Mr. Rackham again drew their attention to the fact that it was time again to draw up their lists of supplies for the coming season, and expressed the hope that it would not be long before they could have their own co-operative association. At the January 12, 1914, meeting the resolution from the North Battleford Annual Convention of the Saskatchewan Grain Growers Association was read. It requested the Legislature to pass the bill calling for establishment of wholesale and retail co-operative associations. Undoubtedly the motion was approved locally. George Pensom was named a committee of one to inquire locally and canvass the neighbouring branches to determine what support could be gotten for a local co-operative association and to "see what could be done in the way of co-operation in purchasing certain commodities" in large bulk.

By the next monthly meeting on February 2 jubilation reigned supreme - the Legislature had passed the Co-operative Act and the association wrote for copies for all members. On April 6, the secretary was instructed to write to all local associations asking them to "appoint two delegates to a Convention



to be held at Greenwood School at 1:30 p.m. on Friday, the 5th, to discuss the formation of a co-operative association in this neighbourhood". The response was enthusiastic enough to warrant making the meeting a public meeting and the date was changed to Friday, June 12, 1914.

#### 4. THE FOUNDING DAYS.....

Friday, June 12, 1914! The day was warm and bright..... 'a typical day in June' as the saying goes. Into the schoolyard of Greenwood School came saddle horses, buggies and carts bringing farmers from the Greenwood and North Gully districts. W. G. Foote's wagon was there too. It brought the eight or ten Southminster representatives. For them it was a fourteen-mile journey of two and a half-hours to Greenwood, but they came to that co-operative organizational meeting. Twenty-four people were there that day and a memorial plaque hangs in the office of the Co-op store today, commemorating those present.

Of the twenty-four listed only five are still alive at the time of this book's publication: F.W. Day, H.J. Davies, C. Freyman, R.J. Ockenden, and R.T. Stewart.

The meeting was called for 1:30 p.m. and Stanley Rackham was elected chairman of the meeting. While it is not recorded in the minutes, no doubt the visionary Mr. Rackham addressed the meeting. Rackham had been the intellectual thrust and the steering rudder behind this meeting and the co-operative movement as a whole in Greenwood. He, alone, could best articulate the needs for and the benefits of a co-operative association. He, it would be, who could best describe the means to attain and then sustain the advantages of a local co-operative enterprise.

We can visualize the youthful Rackham painting the picture of limited railway facilities, the closest being Lloydminster; the poor prices for livestock; the shady scheming of drovers and the uncontrollable variables that faced and worked against the farmer. From the consumer aspect, Rackham was well acquainted with the poverty of the times, the insufficient availability of cash and the irregular sale of produce which made catastrophic demands upon farming folk. This meant they couldn't buy what they needed or wanted when they needed it, unless they bought on credit. If they waited until they sold their produce they were then faced with altered prices or the unavailability of goods.

We can imagine Stanley Rackham unfolding the blueprints, laying out the plan of a co-operative association, describing the advantages of exchanging cattle and hogs for food and clothing - envisioning an organization to handle and ship livestock and to buy and sell goods co-operatively.

When Rackham finished and the meeting was open, "it was proposed by Mr. Pensom and seconded by Mr. Almond, that a Co-op Association be formed in Lloydminster and District under the Saskatchewan Co-operative Associations Act with a capital of \$5,000, consisting of 200 shares of \$25 each, \$10 paid up, with powers to act under section 5 of the beforementioned Act. Carried unanimously". That very day thirty-three shares were sold.

Six provisional directors were elected from the meeting to serve until the first annual meeting which was called for August 7. Those six men were: J. Burgess, J. Almond, G. Pensom, S. Rackham, A.E. Burton, and H.W. Sproston.

On June 19, 1914, before Ernest Chidlow, a commissioner of oaths in and for the Province of Saskatchewan, A.E. Burton applied for, under oath, the "Right of Association" under the

provisions of "The Agricultural Co-operative Associations Act". The stated objectives of the association were:

"to produce livestock, grain or any kind of farm products, to market the livestock and other farm products which the shareholders or others may produce, and to purchase farm supplies for shareholders or others upon the co-operative plan".

Thus the Lloydminster and District Agricultural Co-operative Association Limited was formed....and for only \$3.55, for that was the cost of the incorporation fee....but the arduous task of being co-operative and achieving co-operation from and with the community still lay ahead.

On August 7 the first general meeting of the Association was held in Wood's Hall with Stanley Rackham in the chair. This was the first meeting of the Co-op within the town limits and a goodly number of town people were on hand but non-shareholders were also present. T.A.A. Wright opened the business of the meeting proposing that the non-shareholders be invited to remain present. The meeting was fairly dry-you know the kind-business all the way! Six directors were elected to serve in a rotational retiring term. Thus Jim Almond and George Pensom were elected for a three-year term; Stanley Rackham and Ernie Burton were elected for a two-year term and George Foote and Peter Sermuks for a one-year term.

W. Holland was appointed the first auditor of the Co-op. It was agreed that no dividends could be accumulated by a shareholder until all his shares were paid in full. The matter of patronage dividends for non-shareholders also arose and it was decided that their dividends be held until sufficient dividends had accumulated to equal the par value of one share when a stock certificate would be issued to them.



If anyone wanted to buy anything from the Co-op in 1914, the order would not be accepted unless accompanied by at least twenty-five percent of the value in cash, and then if one didn't pick up and pay for his goods within five days after arrival, the deposit was forfeited. When one looks back on it now, that was a sound principle because from it grew the policy of cash and carry. No business can really fail on that basis. But in times when cash was scarce and money was really a non-available commodity, as it was to the farmer in the Lloydminster area in 1914, we can see that this twenty-five percent down was a tough principle. W.L. Cameron, H.B. Hall's, and Miller's would all be extending credit, affording people the means to live—a privilege that was appreciated by some and abused by others—but not the Co-op. It is a testimony to the co-operators of their faith and zeal in co-operation that the Co-op is what it is today, being born and bred on the principles and sacrifices with which it was faced in those early days.

At this meeting an additional twenty-three shares were sold. The Directors met directly after the general meeting and S. Rackham was elected the Co-op's first president and George Pensom its first vice-president.

## 5. GETTING DOWN TO WORK...Selecting Personnel

A week later the Directors met again in the creamery building. It was their immediate concern to appoint a secretary-treasurer and a manager. T.A.A. Wright, father of Colin and Stewart Wright of Lloydminster, was appointed. Alf Wright or 'Gus' as many of his Masonic pals called him, was much of the brain and brawn that established our present day Co-op so firmly that it is the multi-million dollar operation it is today. 'T.A.', as he was also known, has been called everything for his participation in and organization of the Co-op. From swindler, fraud and crook to the back-bone, brawn and pillar, T.A. gave the best years of his life to the most turbulent and trying years of the Co-op.

T.A. was a shipwright from London of the Cockney County of England. With only a grade three education, he was apprenticed at thirteen to a shipyard at Brightling Sea, and by twenty-one was a foreman over twenty men and often in charge of the whole operation. When he came to Lloydminster in 1905 (having immigrated to Canada with the Hutchinson Party on the S.S. Lake Manitoba) T.A. and his family settled in Lloydminster and moved into the first log house built in the community where the old skating rink or arena now stands. He was a carpenter in those early years and there still stands today at least two pieces of his workmanship-the Canadian Bank of Commerce manager's residence, and the Stanley Rackham residence just east of town. The Rackham residence, however, was not built till later, 1912-1913 to be more accurate.

In the meantime, T.A. himself moved out onto a homestead but time proved he was not cut out to be a farmer. This in no way says he was a poor farmer, certainly not, just that he himself knew he wasn't the type. While he knew nothing about farming, T.A. still possessed the initiative to learn. He wrote letters answering advertisements for free literature on this and that regarding grain, livestock and the farming industry, and in no time he knew a lot about it. He was fortunate he had a couple of sons. They could help with the work while he supervised and managed the farm, and together a good farm was established.

But T.A. was a restless type, at least while farming anyway. In the slack period he got out and worked at carpentry. At one point he went along with Percy and Hedley Manners and built grain elevators for the Alberta Farmer's Grain Company, forerunner to the pool. They were a part of the crew that built some of the first elevators at Kitscoty, Blackfoot and Lloydminster.

When he went to work for the Co-op, he had never sold a thing in his life. But he was a persuasive, determined, ambitious

and shrewd enterpriser who had a good head for business. It was upon these characteristics that he built and raised the co-operative operation. Jim Young, son of Libbie Young, can tell you about the shrewd practical buying of T. A. A. Wright. Young Jimmie possessed a weasel skin which had been properly dried and stretched over the winter. One spring day when Jimmie was in town and separated from his dad and mom, Alan and Libbie Young, for a space of a couple of hours, he went into W. L. Cameron's and asked Cameron if he bought 'furs'. Cameron nodded he did and so Jimmie reached into his pocket and pulled out this skimpy weasel skin. Well, W. L. Cameron thought this was pretty good and gave the boy ten cents, a bag of candy, and told him to keep the 'fur'. Well, Jimmie thought if that was big business he better stick with it so he went into H. B. Hall's. He asked Mr. Hall if he bought 'furs.' Yes, H. B. Hall and Son bought furs. So again he reached down and pulled out his 'fur'. H. B. Hall got a laugh out of it so he gave Jimmie a bag of candy and told him to keep the 'fur'. Well Jimmie's fur business was going great guns so he thought he would try the Co-op.

'Do you buy furs, Mr. Wright?' And T. A., never one to turn down business if he thought the customer might go elsewhere, gave an affirmative answer. So Jimmie dug down again into his pocket and pulled out his little old weasel skin and for it T. A. Wright gave Jimmie ten cents....but he kept the skin! That put Jimmie Young out of the fur business but it also reveals the business technique of T. A. A. Wright-very few ever beat him.

Wright was hired at four dollars a day, one day a week, but by the time he had worked eleven weeks he had already built the job up to make it two days a week and by the first of November, he had put in twenty-three days. During 1915 the job worked up to three days a week, in 1916 it was a part-time job paying \$125 per month, and by 1918 it was a full-time job paying \$2,500, per annum.

T.A. Wright was a man of action, a do-er, an Hebraist as opposed to an Hellenist. We might say that Rackham was the thinker, the philosopher and theoretical architect of the Co-op but Wright was the constructor. Harry Messum tells the story of how he and W. L. Cameron would come to work early in the morning, close to 8 a.m., and the coal oil lamp would be on in the office of the Co-op. They would go home late at night and the oil would still be burning-T.A. was still hard at it.

When he realized in late 1914 that he would have to keep accounts and this would entail a progressive system of books, T.A. with only his grade three education purchased the Alexander Hamilton Institute Business Course. It was recognized as the best correspondence business course of its day, being a twenty-four volume, five hundred pages to a volume series, covering every aspect of business. This T.A. engorged every meal time, devouring its knowledge as well as his food, taking notes on everything he didn't know and words he didn't understand, looking the words up later in a dictionary.

Of course, doing this at meal time was to the fury of his wife and the consternation of his children, but T.A. was preparing himself to be the best servant of the people, the best business head in town, because he had the toughest business to run. This speaks well of T.A.A. Wright for as the business grew and expanded, he also grew and developed, "increasing in stature". He never shied away from the increased demands placed on himself to develop and make himself more useful to the job he had been called upon to do. If T.A.A. Wright had not been the man he was, aggressive and shrewd in his buying and selling, the Co-op may well have never got off the ground, remaining a one-day-a-week operation for many years ahead.

Of course the whole Co-op wasn't built around one man, nor was its success or failure decided by one man. But like a clergyman, any Co-op store manager is the epitome or the personal human representation of the organization. Any glory



to be lauded is lauded on the man. Any 'beefs and belly aches', grievances and complaints are also delegated to the manager.

## 6. GETTING DOWN TO WORK.....Continuing the Rogues Gallery

But let us remember the Lloydminster Co-op was not a one-man show, no matter how many may think it so. Many strong, capable and loyal men sat with T.A. in the Directors' meetings, co-operating together for the good and better of the Association. Can you imagine a one-man show, operated on public monies, conducted by T.A. Wright with men like George Foote and Stanley Rackham around? There were seven chairs around the board table and everyone of them was occupied by as strong a character as T.A. This is what gave the Co-op its firm foundation and its rugged character.



**Mr. & Mrs. Stanley Rackam - 1935**

In one seat sat Stanley Rackham, the mild-mannered idealist, visionary yet deliberate. While visionary he was no idle cloud-dreamer for he was always articulating his thoughts in deliberate action. Before such things were ever realized, Stanley

Rackham envisioned and pioneered our co-operative association, ruralelectrification and home oil and gas heating. Of these things he not only dreamed them, but deliberately sought to realize them through the organized co-operative efforts of the common ordinary citizen.

By virtue of his upbringing and environment and education, Stanley Rackham was accustomed to a comfortable standard of living and it was only natural that he should desire the same in Canada. When confronted with the prosperity of the people in terms of unmarketed produce and their poverty of cash to buy their needed and desired goods and services, Rackham correlated a better living for farmers with the principles of co-operative enterprise.

He was a co-operator through and through. He was not only the theoretical architect of the local Co-op at its inception but he was primarily responsible for its conception too. There are in the author's possession, sales slips and cash receipts and private records of Stanley Rackham enlisting the co-operation of his neighbours to sell and ship livestock co-operatively in 1909. In 1910 he was delivering papers and lectures to the Greenwood Branch of the Saskatchewan Grain Growers Association on co-operative principles and methods. He was constantly travelling (being a bachelor until 1912) to farmers' conventions and conferences that were instigating and supporting government action for co-operative legislation.

It cannot be emphasized too strongly that Stanley Rackham was the 'prophetic' leader of the co-operative association here. As a young man he attended the agricultural college at Aspatria in Northern England and through that school's affiliation sat with one other lad to write the first set of agricultural examinations Cambridge ever set....and consequently became one of Cambridge's first agricultural graduates. It was his vision and his dream and his drive that got the others locally, stirred and united, to do something about organizing a co-op.

While no man can be given all the credit (or take it) Stanley Rackham has to be acknowledged as the 'brain' or thinker behind the organization. He it is who sees the vision, formulates the steps and articulates the same to his neighbours and friends until they all co-operatively and unitedly turn the vision into reality. Rackham was on the Board of Directors for three periods from 1914 until his death in 1937, each time resigning because of the pressure of other public activities he was involved in.

Beside Rackman, of course, would be his secretary treasurer, T.A. Wright, a quick-business man but no quicker or slower than George Foote, who we can imagine sat at the other end of the round table. W.G. 'George' Foote has been described as a 'tough, tight-fisted and hard driving individual'. And if we are to conceive him properly, we have to realize three things about him. Firstly, from his stiff cockney upbringing, he was undoubtedly motivated by the philosophy that he had received no breaks in life and therefore he wasn't extending too many. Secondly, he believed in co-operation, quite to the point of it becoming his religion. Lastly he possessed an impersonal objectivity of people, things and circumstances which enabled him to view everything with the cool calculated deduction of a third person.

George Foote had the capacity to see a whole situation at once, and capitalizing on all this with his additional wit-wisdom, brawn and sheer guts, made his contribution to this development, strengthening and expansion of the Co-op.

Occupying chairs between Wright and Foote were George Pensom and Peter Sermuks on one side and James Almond and A. 'Ernie' Burton on the other. George Pensom was a Gloucestershireman who had little opportunity for formal education, indeed only attending a 'dames' school until the age of eight. Pensom was a curly-headed carrot-top and had the temper to go with it. At the same time he was the earthy type and as

such was a man who got to the root of things. His temper made him a 'noisy' scrapper and a little 'chippy' but a strong battler in any argument.

When these two characteristics are put together in one man and elected to the first board of directors of the Co-op, we have in George Pensom the man who is the 'flying wedge' in every basic issue. Any rumour going around, any cloud that hung over an issue, any fuzziness over a matter, George Pensom, Casey, like would lower the boom. He would speak up: "What's this I hear.....?" What do you mean by that.....?", and thus drive a wedge into every issue until it was clarified. The Co-op needed a man like that for there would be times when confusion would exist as well as misunderstanding and a lack of cohesion between the high ideals of co-operative enterprise of Stanley Rackham and the sound practical business transactions of T.A.A. Wright. Pensom was an agitator who worked like a leaven until everything was understood the same way by everybody.

Across from Pensom would sit James Almond with his 'Santa Claus' beard. He was something of the same type of character as George Pensom but being the eldest of all the directors, he had accumulated a little more earth-bound experience, not to forget his accumulation of thirteen children also. James Almond was a strong charactered, strong-headed and strong-principled individual, and while he could lose his temper, he was more often determinedly entrenched in his opinions and convictions. He was 'orderly' in his thinking and his practice, and this orderliness was strengthened by a forcefulness of character and personality that made James Almond a tough man to contend with, especially if on the opposite side to him in a discussion over an important issue.

Herein lies this man's strength and his contribution to the Co-op. Into these early days when the government provided little,



and the farmer was virtually backed up and nailed to the wall, out of sheer determination and unadulterated resolve, men like James Almond would not turn aside or quickly relinquish any principle, purpose or prayer until the end or goal was achieved. We can look back now and see why James Almond was sent to Ottawa to personally interview the Prime Minister, Wilfred Laurier, on the situation and circumstances, on the needs and provisions, of the farmers of the Barr Colony.

He was a man of patriarchal countenance, deep resolve, sheer determination, unshrinking principles, and unflinching contender in any discussion. If any man from this district could get anywhere with Laurier then that man would have to be James Almond. Around the board table, James Almond would be the determined contender to pursue the right principle. We need not think of him as a hot-tempered or fierce fighter for the right principle, but as the 'stubborn ox' who, knowing the right principle, would not give into any other principle. His age, experience and maturity would make James Almond a solid steady director on the first board of the Co-op.

Then, too, there was Peter Sermuks. In 1908 Peter and his family moved to Lloydminster where today we have a memorial in our own city of his machinist's craftsmanship in a hand-made five foot wrought iron cross marking the grave of Delma Alpine, his fourteen-year-old daughter, who was accidentally crushed or kicked by a horse beside the barn in 1919. Peter was deep thinking as he was intensely loyal, sensitive as he was visionary. Peter was the quiet, faithful type until he was agitated about something and then he "warmed" up very quickly.

At the 1919 annual meeting we read this: "Mr. Sermuks addressed the meeting and warmly advocated the allocation of all bonus to the building fund, stating his conviction that we should devote ourselves to planning such accomodation for the future

as would place our buildings in the front rank and give us full accomodation for all our needs, including a first-class rest room for the ladies. He stated that our profits could not be disposed of more worthily and that we might also plan for the future a recreation hall wherein we could enjoy good music and any other diversion desired."

Can you imagine a white Russian "warmly" advocating?

Throughout the minutes, Peter was always a seconder on motions and during the meetings he may not be remembered for more than his accented 'ya', but when he stood up to propose something or make a motion, it was time to listen. Look at the solid proposals he put forward: dividends should be reserved for a building, not any kind of building, but the best building in town, one that would rank us outstanding "and give us full accomodation for all our needs". He proposed a ladies rest room. What would a pioneer western prairie community need more than that? Rural people coming into town to do business, coming into town where there are no facilities for women and children! You would have thought city council would have provided such or the Board of Trade or the Chamber of Commerce.

It was the Co-op that saw the need and took the lead. He proposed a hall for good music and recreation. The city lacked a good hall at that time as Wood's Hall which had been used previously had become Tom Barber's Bakery. Notice the whole accent of Peter Sermuk's proposals. They accented service. The Co-op was here to serve and notice that service was not to milk people or bring profits to the business. It was simply to provide and service the community with complete services. The Co-op needed men like Peter Sermuks... and still does... men who are visionary and fiery enough to see ways that the Co-op could fulfil its utilitarian function and yet quiet enough to be useful, faithful and loyal.

Across from Sermuks was Ernie Burton, of whom very little is known except representing Southminster, and he emigrated to the U.S.A. in 1920.

## 7. GETTING DOWN TO WORK.....Selecting a Site

The second major concern of the directors who met on August 14, 1914, was to get accomodation—a place to call headquarters and to start advertising in "The Times" and by circular letter that the Co-op was organized for business. The newly appointed secretary was directed to get printed the necessary office forms and stationery and supplies to set up shop. He inserted into the Lloydminster Times for three consecutive issues the following notice:

*"Lloydminster and District Agricultural Co-operative Association Ltd. This Association is now organized for business. Full information can be obtained from the secretary, Mr. T.A.A. Wright, at Mr. S.M. Daly's office, Lloydminster, every Friday."*

*Signed: S. Rackham, President*

Sam Daly was the first bank manager in Lloydminster and that would be of the Canadian Bank of Commerce. The Times also printed up 500 copies of the following circular letter on the new letterhead:

*"The above Association is now fully organized and will appreciate your interest and support. Our charter authorizes us to procure any supplies required and also to sell your stock or produce. The value of the Association to you will be limited by the support it receives. Shares are \$25.00 each, \$10.00 payable on allotment. The undersigned will be in town on Fridays to receive applications and give information desired".*

*Signed: T.A.A. Wright*

These advertisements were, in effect, "hanging out one's shingle" and saying "we're open for business", but the strange

thing about it is the new Co-op had no place to hang their shingle and no place to call their business.

George Pensom suggested that Wright inquire of Mr. Dunning, local agent, for use of the Saskatchewan Co-operative Elevator office for one day a week and to ask him if it was possible through his influence with the railway to have cattle cars spotted on their spur for loading cattle and unloading any supplies that may come in for the Co-op. Mr. Dunning was a co-operator and was very co-operative in this regard. He gladly lent his office to the new Co-op for one day a week and would do what he could about railway cars. However, one thing was stipulated and that was, that his office was in no way to be used for storage purposes. At last the Co-op has a nesting place.

Of course this arrangement was only temporary. But the Co-op wasn't too anxious just yet to acquire property. With a new railway station being offered by Laurier in 1910 (as well as the new post office) there was speculation just where the tracks would be and this would greatly affect the permanent location and site of the new Co-op.

By the 1915 annual meeting on January 13, a building was desirable. Great controversy arose as to what should be done with the patronage dividends. Should it be declared? Should it be kept and put into a building fund? That year, after only six months of operation a 6% dividend was recommended but since the 6% dividend only amounted to twenty cents a share, a proposal was recommended that the shareholders donate their dividend to the Belgian Relief Fund. Sharp discussion arose over this when an amendment was made that the dividends be withheld and kept for working capital. When the vote was taken no dividends were declared and the 1914 profits were to be apportioned 50-50 between a reserve fund and working capital. In light of the desires of the shareholders to have their



own building, another 625 shares were declared open, the proceeds of which were to be used to buy real estate and a building.

All this time the board of directors had their eye on a site. It was property owned by J. Walters of Edmonton. Today that property is just east of Meridian Avenue and directly north of the railroad tracks where the lumber yard is. The day Colin Wright took me out to review the site, great stacks of lumber were piled there. The lot ran from the tracks to the present 52nd street and about fifty feet in from the Meridian sidewalk. This was the lot the Co-op wanted if the tracks were to go through where they were and are now, and of course they did.

At the February 23, 1915 meeting of the board, William 'Billy' Mackenzie offered his 18' x 24' stable for a building for \$100. He was willing to be paid with one fully paid-up share and the balance could be paid at the Co-op convenience. The board agreed to buy Mackenzie's stable if he would move it to their prospective site, when they obtained it. To this Billy agreed.

Billy Mackenzie was quite a guy. He was quite enthusiastic about the Co-op and was certainly behind it. But sometimes he would say things that really seemed to be queer, far-fetched and out of proportion to the facts. It was Billy who guessed that by 1918 the Co-op should be doing a half-million dollars worth of business. To the fondest dreams of the most ardent co-operators this was stretching it by a mile-but by the end of 1918, 'ol Billy' wasn't so far off the mark.

When the railroad announced the track plan, the Co-op went ahead and bought the Walter's property and Billy Mackenzie moved his stable on to it for it to become the first permanent home of the Lloydminster and District Agricultural Co-operative Association. The stable sat forward on the property toward the Meridian.

From this location T.A.A. Wright developed the Co-op cause . . . . mainly the producer aspect of shipping livestock. But, nevertheless, it was here, too, in Billy Mackenzie's stable that the apples were stored, the binder twine and all other commodities bought in bulk by the Co-op. Colin Wright remembers the many cold winter nights he or Stuart relieved their dad as someone had to remain in the stable when coal oil heaters were used to keep the place warm enough so the apples wouldn't freeze.

From here the John Deere Co. Implement Agency was operated. In 1915 the company approached the Co-op to handle the agency but suitable and satisfactory arrangements regarding return could not be worked out. Just prior to the annual meeting in 1916 satisfactory arrangements were completed and the shareholders voted to proceed with the agency. However by the 1917 annual meeting there was so much dissatisfaction over the company's availability to supply that it was voted to obtain a different supplier, and hence the Co-op became the local Cockshutt Agency.

At the directors' meeting just prior to the 1917 annual meeting David Robertson and J. Campbell acting as representatives of the Durness Ratepayers Association approached the Co-op to establish a Co-operative Feed Bar and Livery Stable. At this time any farmer coming to town had no public place to keep or feed his team. It was an area whereby the Co-op would be of service to the community and to the farmer patronizing the town.

The directors agreed that the venture was a worthy one and if public support demanded it and if 300 shares could be sold with \$10, paid up on each share, the project could well be undertaken. At the annual meeting the directors' decision was ratified and plans were made to have receipt books printed and distributed to a reliable farmer in each district to canvas the district for shares.

As lumber and coal sales were on the increase plans were initiated in November, 1915 to build two storage sheds on the lot. These were completed in 1916. In 1917 a stock scale was authorized, not to exceed \$350, in cost, and to be installed at the stockyards. Later the scale was moved onto the Co-op property just about where the second telephone pole from the Meridian corner on 52nd street presently stands.

In 1918 the subject of a new store came up and it was agreed that plans should be drawn up for this as quickly as possible. At the same directors' meeting, January 23, 1918 to be exact, the directors agreed on a motion by Pensom and Sermuks that "we stock and sell groceries as soon as possible." By this time, and since March 1917, the Board of Directors had elected from their own number an executive committee to meet frequently with the manager. It must have been in one of those meetings where T.A.A. Wright was authorized to purchase the store and stock of George Greening.

Harry Messum recalls vividly the popular story that went around town of that transaction. One has to picture a flamboyant aggressive supersalesman in Wright, and a slower retiring faithful old grocer in George Greening to appreciate the dialogue as Mr. Messum presents it. Mr. Greening was selling his store for \$13,600. As the story goes, T.A. went in personally to buy it for the Co-op.....

"Well, George, I hear you are selling the store."

"That is correct, Mr. Wright."

"Just what are you selling it for, George?"

"I'm asking \$13,600, Mr. Wright."

"Well just consider it sold, George"-at the same time passing a cheque across the counter.

"But this is only for \$13,000, Mr. Wright."

"O come now, George! \$13,000 cash always is better than \$13,600 on terms."

"But I'm asking \$13,600, Mr. Wright."

"Now, now, George! You'll have things here that we'll have

no use for. Your account books, your stationery, your receipt books—all these things we have no use for. You can have them. We'll get our own."

"But, Mr. Wright, when a man sells his business, he sells everything, and I'm selling you everything and I'm asking \$13,600."

"Come, now George! Reconsider, here is \$13,000 on the barrelhead."

By this time George Greening is incensed, just about exploding with blood pressure. He whips out the ledger and accounts and he goes through the books very swiftly but very systematically and decides that his business is actually worth \$13,607.50. And \$13,607.50 is what T.A.A. Wright bought out George Greening for!

Mr. Greening's store actually stocked more than groceries as he also carried a complete line of outfitting equipment. 'Outfitting' was the early forerunner to men's and ladies wear, shoes and dry goods. Everything that wasn't groceries, hardware or saddlery was 'outfitting.'

For the next year the new store was still a burning issue. With the purchase of the George Greening store, the association was now in a position to build a new store. It seems sharp contention surrounded this move and apparently outside rumour was that the Co-op 'bit off more than it could chew.'

On a hot afternoon in August 1918, a hot meeting of the directors was going on in the Masonic Hall. Mr. Bruce, then local manager of the Canadian Bank of Commerce, came into the meeting to explain "that in future no overdraft whatever could be permitted unless a stated amount was guaranteed by every director". Bruce left the impression with the directors that he was acting on orders from his superiors. We can imagine



the directors' reaction. Billy Mackenzie, by this time a director, felt the action was the outgrowth of 'public rumour and unfounded reports' that were 'reducing the Co-op's efficiency'.

Messrs. J.H. Brown, J. Almond, and T.A.A. Wright had reports from shareholders that Mr. Bruce was anti-co-operative and had been deliberately using "his influence to direct livestock business from this association to Messrs. Stack and Cadzow". Mr. Wright asked Mr. Bruce if it was correct that he was. Bruce denied it. But when names were mentioned of shareholders Bruce had supposedly contacted, he apparently wilted. On a motion by Almond and Burton a letter was drafted to be sent to the general manager of the Bank of Commerce in Toronto asking three specific questions:

- 1) Was the attitude and action of the manager locally, reflective in any way or coincided with the entire bank's policy toward the co-operative movement generally? (This no doubt was asked to clear the impression Bruce had created about the bank policy)
- 2) What were the specific reasons and circumstances leading to the specific resolution Bruce had read to the board of the Co-op? (This, I imagine, was to determine whether there were sweeping changes in economic policy within the bank or a sole resolution drafted upon 'public rumour and unfounded reports' against the local Co-op.)
- 3) Could there be some satisfactory arrangement made for any temporary overdraft that would obviate the necessity of the directors becoming individually and collectively liable for a stated amount?

While the reply to that letter cannot be found in the old records of the Co-op, one assumes the answer wasn't too favourable as the Co-op account was soon transferred to the Royal Bank of Canada.

At the next board meeting with the new store still a burning

issue, both Mr. Rackham and Mr. Wright tendered their resignations but the board deferred consideration until a board meeting after the approaching annual meeting. The 1919 annual meeting was a hot one although the above resignations were never mentioned.

This was the annual meeting when Peter Sermuks got up "warmly advocating the allocation of all bonuses to the building fund, stating his conviction that we should devote ourselves to planning accomodation for the future as would place our buildings in the front rank and give us full accomodation for all our needs. . . .". Billy Mackenzie was hot on Sermuks's heels supporting the suggestion, "pointing out that we are running one of the largest businesses in town and we should make every effort to enlarge and improve our premises to enable us to deal with the increase of business.

Business in 1918 was at its peak, for only four years previous the total sales were \$6,142, and in 1918 they were \$377,796.

When the shareholders were heard and all appeared to favour the suggestions put forward by Peter Sermuks, Mr. Rackham asked Sermuks to make a motion embodying his ideals. Sermuks made two motions at that meeting - one, proposing all patron bonuses be accrued in share capital rather than be paid out in cash and the money be put into the building fund. The other was for the erection of a new store to the value of \$5,000. The meeting ended with a vote of confidence in the manager and good feeling among the shareholders, and rightly so. The business had increased, sales had sky-rocketed, profits were up to sixteen thousand dollars, and they were going to get a new building.

A new building—at least that was what the minutes called for. It was presumed the Co-op needed new premises. They were operating two places—the stable across the tracks and George Greening's old place. Two weeks later at the next directors'

meeting Peter Sermuks, now vice-president, wasn't going to let this new store be side-stepped, and between he and George Pensom they had the directorate set up a building committee, agree to the erection of a two-storey building, choose an architect by the name of Hopkins, and have the building committee report to the directors as soon as plans were decided upon.

By July a new city by-law relating to fireproof buildings had been put into effect in Lloyminster, and this had a very determining effect on the progress of the new building. At first the directors thought that by eliminating the basement and storehouse as shown in the plans, they could avert the increased cost of changing the proposed frame structure into brick. But the cost of brick and tile, where wood was called for previously, seemed higher than expected. At the next annual meeting in 1920, I. J. Steele addressed the shareholders and explained the necessity of increased capital to proceed with and succeed in the project of the new store. It was agreed that an appeal should be made throughout the area, even from the local Grain Growers' Association and the United Farmers' Association for more share capital.

During 1920, Tom Haliwell was bought out and his stock incorporated into the inventory of the Co-op and this cut into the accrued reserves of the Co-op. It was finally decided at the annual meeting of 1921 that it was impossible to proceed with the erection of the new store. The existing price of materials and labour and the lack of spontaneity in the sale of new stock capital were given as the basic reasons and the matter was then tabled.

In March, however, a new door seemed to open. The Scott Brothers, who were in partnership with H. B. Hall and were operating the Northern Hardware, were dissolving their partnership and vacating their premises. Mr. Sermuks proposed

that Mr. Steele and Mr. Wright and a new director, Frank Jones, be a committee empowered to investigate the purchase of the stock. By the next directors' meeting on July 13, the Northern Hardware Company had been bought out by the Co-op and the store, reportedly the best built store in Lloydminster at the time, was now the 'new store' of the Co-op. The total purchase was \$31,610.27. With the aid of a fifteen thousand dollar bank loan from the Royal Bank the store, property, stock and equipment all became the Co-op's. So in a 'left-handed' manner, the Co-op got its new store, the best built store in town and consequently took its place among the 'front rank' of businesses in Lloydminster.

## 8. GETTING DOWN TO WORK... Fulfilling a Purpose

The Co-op was originally conceived to be a producer-consumer co-operative....at least that was what its charter said it ought to do....."to market the livestock.....which the shareholders....may produce, and to purchase farm supplies....under the co-operative plan". When we look at the Co-op today, it is nothing but a consumer-co-operative. Look at it fifty years ago, it was nothing but a producer-co-operative that peddled a little coal and lumber on the side.

The old timers speak of the three-stage development of the Co-op - the livestock-producer stage, the producer-consumer stage, and now the strictly consumer phase. When one considers only the minute book of the directors, one would absolutely fail to see this three-stage development and transition. There it was a consumer co-operative right from the start. When we realize that in the early days everyone had produce to sell, and little money to spend consumer-wise, we can see how the three-stage development began. With so little actual cash about, we can also appreciate the tight control the directors put on the manager by having him report, monthly, the value and extent of the consumer inventory. This is why the 'minute book' almost ignores the livestock-producer aspect.



But that a producer-co-operative the Co-op originally was, is very much a fact. In 1914 out of the total sales of sixty-one hundred dollars, forty-one hundred dollars was the sale of livestock. The first to sell cattle to the Co-op were Messrs. Jones and Russell, who lived fourteen miles north and a quarter-mile east of the Meridian from Lloydminster. In 1915 out of \$60,000 total sales, livestock sales were \$46,000. "In a letter from the department of agriculture the registrar states that according to official returns this association shipped over three times as many cars of livestock, and that our turnover is over \$25,000 larger than any other association in the province" - said Stanley Rackham in the 1916 annual report to the shareholders. By 1918 livestock sales amounted to \$299,000 out of a total sales volume of \$378,000. To put it another way, seventy-nine percent of all business was livestock business at the Co-op in 1918.

However, from 1919 on the percentage begins to slip. In 1921 the percentage of livestock sales didn't slip but fell to 33% of total sales. In 1928 livestock sales only amounted to \$81,000 out of a total sales volume of \$449,000 and by 1931 there were no longer any livestock sales made by the association.

During this time consumer sales began to increase. Beginning with a half dozen horse halters valued at \$1.65 a piece, T.A.A. Wright began the Co-op on the road to consumer sales and service. In September he ordered a carload of Ontario apples and people still talk about the 'red russetts' and 'northern spies' that lasted till the next June. These apples cost the Co-op \$582.50 and \$701.25 was netted on them. They came in 150 lb. barrels and sold from \$4.50 to \$5.25 a barrel. Three carloads of coal - good old Humber-stone coal - was the next item purchased and finally two cars of lumber from the Riverside Lumber Mills in Calgary.

Until the annual meeting of 1918 when the shareholders agreed to carry a complete inventory of groceries, the consumer in

ventory was restricted to coal and lumber, binder twine and formalin. Any consumer article could be bought by a customer through the Co-op by paying 25% down on the article and agreeing to pick the item up within five days of its arrival or forfeit the deposit. However, consumer merchandising was generally restricted to the bulk buying of a few but very essential articles or commodities.

Consumer sales in 1914 were \$2,000, a year later \$14,000, and by 1921 they were \$250,000, matter in fact they were \$256,588.04 to be exact. Total sales in 1921 amounted to \$387,133 which is no mean figure either. Thus, by slow evolution the Co-op became what it is today.

"The objectives of our consumer Co-op has always been to supply goods and services as efficiently and economically as possible, returning the savings to our members on the basis of patronage. In fulfilling the objectives the Board endeavours to plan for the future and attempts to anticipate as much as possible the future needs of our members within the trading area. It has become increasingly apparent that the emphasis on savings is not as pronounced as the need for more and better services. With this in mind your directors have made some sound decisions said W.C. Newman at the 1964 annual meeting of the Co-op. The Co-op from its conception sought to service the community and that not just with a consumer mercantile. The emphasis has always been "goods and services"..... services as well as consumer products.

From the days of the livery feed barn and Peter Sermuks "first-class rest room for the ladies" right down to the proposal made to establish increased parking facilities and the assistance given for increased medical services to the community in 1964 the Co-op has always had the consumer member on its heart.

The large mercantile store reflects the time saving advantages

offered to the consumer with one-stop shopping facilities. The new planned parking facilities reflect the need of the entire city for more downtown parking facilities. The assistance given by the Co-op to the establishment of the Credit Union and Community Health Centre, which by the way are separate co-operative enterprises from the consumer mercantile, reflect the sensitivity of the Co-op to the needs of the community at various phases of the city and district's development.

In days when credit was hard to come by, the Credit Union was established. When doctors' appointments required two to three weeks advance dating and when an afternoon's sit in the rotunda of the clinic was a common experience, co-operative thinkers realized the need for more doctors in the community and to this end have made a significant contribution - all for the service of the community.

The Co-op was here to serve and still is and that service was not to milk the people or bring increased profits to the business. It was simply to provide and service the community with 'complete services'.

## 9. THE DIFFICULT YEARS

After the Second World War this country witnessed an economic boom and period of expansion never before realized in Canada. But the end of the First World War brought its own depression. Today we might not call it depression as much as recession, for certainly the 'tough times' were never like that of the 'dirty thirties'. But the cessation of war brought a cessation to industry which produced a slack that was not taken up until the near middle of the roaring twenties.

Coupled with this difficulty was an increasing persecution complex among directors and members alike in the local

Co-op. Now there is a difference between persecution and persecution complexes - the former is real and positively exists. The latter is supposition, characterized by suspicions and exists only in the minds of those who will succumb to it.

A third problem was formulating at this time too. In all such cases at the first stepping stone of most new movements, embracing such wide variations of interest, various characters come to the front and superficially strong characters come to the head, creating clashes of personality that result in "blisters and bitterness". By the end of the first five years of success in the Co-op, many of the original founding fathers were beginning to take leave of the board and were replaced by some superficially strong characters.

From the beginning, co-operation expected persecution - and certainly anticipated resistance. The banks were supposedly against them. Private business, it was anticipated, would probably organize to resist them. But outside of a small squirmish with Mr. Bruce, a local bank manager, there was little real persecution. However, a persecution complex certainly developed.

In the early twenties, everyone was suspicious of everyone else. When a department registered a loss, suspicions arose over the staff and staff pilfering rather than the tight margins of profit or poor systems of accounting. In one year, 1922, the entire staff of two departments was completely dismissed and new personnel hired. In 1921, to begin the long short story, losses or leakages were revealed. Was it pilfering? Was it mice eating up the profits? Was it poor accounting? It was true mice resided in the Co-op storage room of the grocery department. They had a good living there and made spoils of many flour and sugar sacks. So the mice had to go.

It was true that Co-op had difficulty keeping reliable accountants. They were at a premium in town but finally in 1920 the



controversial S.F. Lows, a South African, was hired. There were subtle contentions between Lows and T.A.A. Wright, the cause or causes of which can only be speculated, but nevertheless the hire of Mr. Lows was the beginning of the end for both. The counter-check book system currently employed by the Co-op at that time was a tedious labourious time consuming system. Incomplete record keeping and unrecorded sales by counter checks seemed to create problems and 'jigger up' the books.

Early in his employment Mr. Lows suspected the honesty of Mr. Wright's honoured personnel and in one instance went so far as to devise a test case to prove pilfering was going on, and that groceries were leaving the store without them being recorded on a counter-check book slip. When the grocer made up his own order and had it delivered by 'boy' to his house, Low's appointee was to search the box on arrival to see if there was a slip. There was none.

By 1922 the loss in the grocery department was over \$1,100, and the loss in outfitting was over \$1,400. That year there was a profit of \$6,500, but a loss of \$3,200, leaving a net profit of \$3,300. After serious consideration it was felt there was "incompetence on the part of department managers and that the whole staff generally disregarded positive instructions with regard to making out sales slips for goods supplied them; therefore, the whole staff (that is, in the grocery and outfitting departments) be dismissed and replaced as quickly as possible".

However, there were still losses and suspicions were growing more and more on T.A.A. Wright. Soon Lows was making direct charges against Mr. Wright, even to the point of where he charged Wright with stealing a cake of shaving soap and a can of tooth powder. Wright had forgotten his at home and was making a mad dash to catch the livestock train to Edmonton

with Co-op cattle aboard, and in his hurry he didn't take the time to make out a counter-check for them.

In the board every charge against the manager was answered and explained away. While Mr. Lows was temporarily set in his place, he did 'gain the ear' of a couple of directors who desired Mr. Wright's removal. Some of the board thought Mr. Lows should be dismissed but felt to dismiss him would cause more grief than to keep him on. Repeatedly, doubts and questions were being raised as to the competence, and loyalty of Mr. Wright. In time there was little confidence left in the Manager by the shareholders, even though president of the Board, I. J. Steels, addressed the 1924 meeting declaring the competence of the manager and that 'the manager has the real interests of the association more at heart than any other individual' and that he 'was convinced that there is better supervision and more effective discipline in the Co-op organization than any other in town'.

But still there was dissatisfaction. In mid 1924 Mr. Lows was discharged of his responsibilities. While Mr. Wright was on holidays, Mr. Lows had taken cash and goods from the premises totalling \$70, various inaccuracies were found in his and he displayed 'complete tactlessness' in trying to obtain payment on overdue accounts. A special commission was set up to investigate the operations of the association and the reliability of its manager under the direction of O. J. Godfrey, Chartered Accountant, at Indian Head, Saskatchewan.

This confidential report was never made public to the shareholders and apparently was lost. Following defence of Mr. Wright by the Lloydminster Times in June, 1964, another copy of the report was brought forward by Stuart and Colin Wright to the editor of the Times.

This report is the now famed Godfrey Report which reads in part: 'I was directly requested to give my personal opinion to

the effect of this official's personality on the business. I do not know, of course, what transpires during the year between Mr. Wright, the directors and the shareholders, but it seems to me that only a very strong personal character, coupled with loyalty, integrity and great ability, could have built up and still satisfactorily control a large business such as you now have".

Later in the report Mr. Godfrey says "I have only one suggestion to make as to the management of your business, and that is that whilst your department managers are given authority to buy primarily, all orders should be countersigned by the general manager before being issued. Enquiries showed that where Mr. Wright does the buying himself very great keenness is shown, and although he disclaims the necessary knowledge to buy for certain departments, I am sure the fact that he had to vise all orders would lead to greater care on the part of the department managers".

However, the report was to non-avail as far as Mr. Wright's position was concerned. Pressure for his release was mounting. By October, 1924 things were sure to come to a head. Business had fallen off by \$59,441, over the previous year. The profit on the year's business was sinking farther into the 'red'. By the end of the year there was a \$1,507 loss, the only year the Co-op had even had an overall loss. The falling off of business was interpreted as the loss of confidence in the manager. The shareholders had signed a petition requesting a shareholders' meeting on November 15, 1924. Added to this, George Pensom, a dear friend of Wright's but the 'flying wedge' who got to the bottom of all rumor, stated: "that Mr. Wright sold some cattle to the Italian Government on his own and not through his own organization". No matter what good there was in Wright or what good was officially said about the man, nothing could save T.A.A. Wright. He still had to be "led to his own Calvary and there be crucified."

It is interesting to note in passing that before T.A.A. Wright was asked to resign or a formal motion for his dismissal was put to the Board, his successor, Howard Jones, was already hired. The minutes of the special shareholders' meeting were never recorded for posterity and when the motion to dismiss Mr. Wright was officially put on the books, it was rescinded, and in the chaos of it all the president of the board, I. J. Steele, in complete disillusionment, resigned. Finally, to top it all, S.F. Lows re-applied for his job back again but his application was refused.

If the difficult years were over with Mr. Wright gone, for sure as there must be some who thought so, he left them a great legacy to build on. Let it be remembered that on June 12, 1914, after their organization meeting, the Co-op had only \$7.60 in cash to commence business. By the time Mr. Wright left the organization there had passed through the books of the Co-op \$3,065,864 worth of business. On that business there was made \$64,000 profit, and of that profit there had been accumulated \$78,000, worth of assets.....and during that time the Co-op still continued to pay their income tax!

## 10. OUT OF THE DARKNESS.....CAME LIGHT

If 1924 was a pretty dark year, it wasn't pitch black. Out of that darkness came some very encouraging trends. In March, 1924 employee conditions were investigated and surveyed around town and it was discovered that perhaps some of the employee problems the Co-op has experienced might be caused by the association itself. Up to this time, employees were never given holidays, absolutely no absence for sickness was paid for, and believe it or not, employees were paid only semi-annually.

At the April meeting the Board adopted recommendations that gave employees the maximum of fourteen days holidays after



one year's service, 'the pay and time allowed left to the discretion of the manager'. Employees were to be paid monthly and no longer semi-annually, and sick leave was to be introduced. An employee, sick one week in a year, was entitled to full pay but only half pay for any time missed in excess of the one week.

These were significant changes and introductions because, while coming in the bleak year of 1924, there were no other major personnel condition changes, other than salaries paid every two weeks, until superannuation was introduced in 1947 after 'Scotty' Davidson's retirement brought the problem clearly into focus.

The second major break-through, or correction made as a result of the tumult of 1924, was the reiteration of proper relationship between manager and board, and staff and shareholders. From the beginning, little problems existed as to who was 'boss' at the Co-op. Because the directors and manager were of strong character and overt personality, there were often clashes between them. The manager often had run-ins and clashes with shareholders who were often of the opinion that because they had shares and in consequence partly owned the company, they could tell the manager what he should be doing. These misunderstandings, climaxed with the resignation of Wright, revealed how prevalent the problem really was. Dissatisfied staff would grumble to customer shareholders, shareholders would complain to directors, and the directors vented their frustrations on the manager until the manager was asked to resign.

But, because of the raucous, and in adoption of the Godfrey Report, this problem was corrected. Godfrey recognized this problem when he was investigating the operations of the Co-op and reiterated the scheme to be followed. The staff was responsible to the manager, the manager was responsible to the directors, and the directors were responsible to the share-

holders and the shareholders, of course, were responsible to nothing but their own interests and therefore should keep patronizing the store and be faithful co-operative customers.

With this reiterated and now formally recognized as the basis of operation, Howard Jones became manager in December, 1924 to put it into effect. Howard Jones "came to the Co-op without any practical retail experience and thus had to do everything from a scientific or theoretical point of view". However, his strength and ability lay in accounting and book-keeping. He came to the Co-op from the position as administrator of the local hospital, and as an administrator he excelled in the Co-op.

When he took over there was the usual audit to safeguard the association and both managers from embezzlement charges, and close following, the annual audit. These two audits cost \$1,366.50 and, of course, that year there was that \$1,570 loss which didn't improve the disposition of the shareholders at their annual meeting either. While \$1,366.50 was the cost of the 1924 audit by Mowat & McTavish of Saskatoon, there was also auditor expenses from Mr. Godfrey for his report and the still unpaid 1923 audit bill from Godfrey. All in all, the audit bill cost \$3,000 that year.

But Mr. Jones was a whiz at figures and finances. His proposed system of bookkeeping and reporting, as detailed to the directors and the firm of Mowat & McTavish, brought the guarantee from Mr. Mowat that if the association would follow through with the outlined system of accounting he would audit the association's records for an annual fee of \$300.

Mr. Jones had a few other tricks up his sleeve, too, that re-established the association quickly. While there was contentious quarrelling and constant bickering among partons and shareholders to be quelled, Mr. Jones devised a plan that should regain the confidence and business of the shareholders.

It was his opinion that even though there was a loss recorded for the year, a patronage bonus of 5% should be declared.

It was a form of advertising, and it wouldn't cost too much to be put into effect. The bonus, would be paid to all patrons and would be paid in stock-in-trade, on which the association had its margin. Those who had not their \$50.00 worth of shares paid up, the bonus simply went to build that up and there was no actual out-go of cash. The 5% patronage bonus was the highest ever paid up to that time as dividends were usually declared at 6-8% and the patronage bonus at 2%.

The suggestion met with the usual amount of skepticism by the board and the shareholders at the annual meeting but in realization it had a wonderful effect on business. By the end of the first two weeks of business in January, 1925 business was up \$430 over the previous year. April showed an increase of \$3,400 over the previous April and by the end of the year there was a total increase of \$53,605 over the previous year. Total sales amounted to \$333,135. Business in 1926 continued to grow and slowly expand to a total of \$339,525.

In early 1927 the local Co-op entertained the motion of establishing its own funeral business, at least selling coffins. A local funeral in those days cost \$125, the casket retailing for about \$75. But some members of the board that were initiating the plan thought that coffins could be laid into Lloydminster at \$40 to \$50.

R. D. Heath, the enthusiast behind the project, reported "he had had correspondence on the subject with Alberta Government departments, and was advised that if there was overcharging going on in this line of business, perhaps the best solution would be to handle the matter co-operatively. This subject had been a matter of concern to the people of this district for the past five or six years, "Mr. Heath said," and he hoped that something could be done to get cheaper funerals as he

reported public opinion was up in arms about the present situation". While the matter was enthusiastically endorsed more information was needed and by August, 1927, after Scotty Davidson became manager and plans for a new building were commenced, the undertaking business was shelved.

In February, 1927 Mr. Jones startled the board with his resignation, due to the ill health of Mrs. Jones. His resignation was effective March 31. On March 10 the Board met specially to consider applications for the position of manager. There were three applications: R. Bell of Davidson, Sask.; J. Snowden of Saskatoon, and C.G. Davidson of Edmonton. While the position was to be advertised, Mr. Jones was also given permission to obtain his own successor. From a fruit salesman, Jones heard the name Scotty Davidson. 'Scotty', because of his salesman jobs for one firm and another, was known in town by local people and while the directors were to consider the three applications, they invited Scotty Davidson down to be interviewed.

After the interview and the subsequent discussion by the board, the following motion was passed: "that Mr. C. G. Davidson be offered the position of manager and secretary-treasurer of the Lloydminster and District Agricultural Association Limited at a salary of \$3,000 per annum, with a bonus of \$500, provided the profits are at least as much as those of 1926 at the close of business for 1927. A bond of \$5,000 to be furnished". When Scotty was recalled to the meeting he accepted the position effective March 21, 1927.

For Scotty, his return to the Co-operative Movement was like a home-coming. While he had never worked for a Co-op prior to coming to Lloydminster, he had been raised on the benefits of Co-operatives as a youth. He was born August 3, 1876, only eight years subsequent to the organization of the Scottish Co-operative Movement in 1868.



Raised by his grandparents, as his father was lost at sea in the China Sea and his mother met premature death, Scotty 'fetched the groceries that paid the dividends that built the 'wee hoos' he was raised in'. After leaving school he was apprenticed for six years in a shipbroker's office in Aberdeen, spending the next ten years in the chartering and feed companies. Following this he was Aberdeenshire representative for the Molassine Meal Company until he left for Canada in 1909.

He came to Canada arriving in Edmonton on April 1 of that year. He travelled for Canada Dry Soft Drink Company for a year, followed by two years service with wholesale fruit firms. From 1913 to 1920 he was employed by Revillon Wholesale Ltd., being sales manager of this firm from 1917. Following a two-year period in the life insurance business he moved with his wife and family to Vancouver where he was sales manager for the Gregory Tire and Rubber Company until 1927 when he came to Lloydminster.

All this wasn't too bad for a man who, prior to coming to Canada, was given only six months to live as he had tuberculosis. And so Charles Gillanders 'Scotty' Davidson became manager of the Lloydminster Co-op in 1927.

## 11. THE MAN AND HIS MONUMENT

On the plaque marking the resting place of Sir Christopher Wren in St. Paul's Cathedral, there reads: "If you would see his monument, look around you"..... wrote George Urwin, President of Federated Co-operatives Ltd., to Mrs. Davidson when Scotty passed on in 1956. And, indeed, the Co-op was during that thirty-year span was a monument to Scotty Davidson. It was not easy matter being a Scotsman in the English settlement of the Barr Colony. But Scotty accomplished the fact and won the esteem, confidence and respect of the community doing it.

Scotty Davidson was a hard driving manager - aye, in many respects like a captain of a ship. His directors line the board room table like obedient dutiful officers below him, ready and quick with their 'aye, aye captain'.

While Scotty was a 'hard driving man' his bark was always worse than his bite. But his drive was good and beneficial to the Co-op. It kept the staff working for they had great respect and fear for Scotty. It kept the directorate moving and it kept private business alert. Scotty was the 'who and what' the organization needed for the troubled times of the nineteen thirties and forties.

When he came in 1927, he immediately set out to build a new store. At his first board meeting on April 16, Scotty said: "the only unsatisfactory condition was that which the grocery and dry goods departments were working under in their present premises. The dry goods department, particularly, was working under a handicap." This remark prompted a discussion regarding new premises. It was felt that the time was opportune for co-ordinating all departments under one roof, and thus a committee was established to procure plans and specifications for report to the next meeting on a building to be built immediately west of the hardware store.

By June 8, sketches and plans were drawn, submitted and accepted. It called for a new addition to the Northern Hardware building immediately west of that store and full improvements to the whole of the front. A full size basement, stock elevators and a mezzanine floor for office and rest rooms were in the plans. The designer and subsequent building superintendent was N.B. Pearce of Edmonton.

Tenders were called for and on Saturday, July 30, 1927, three tenders were opened. The offers were from: E.E. Millar of Lloydminster, \$16,551; Joseph Janiskowski of Edmonton \$14,550; A.J. Adkins of Westlock, \$11,040. The Board

favoured the lowest bid but nothing was known of the 'financial and moral position' of Mr. Adkins. Upon investigation he was found to be in a state of bankruptcy but considered an honourable and qualified tradesman of long experience'. The board still favoured the lowest bidder. E. E. Millar of Lloydminster asked to reduce his bid to \$14,000.00 – and still later, he brought it down to \$12,500. But the board still favoured the lowest bidder. Scotty Davidson talked with Adkins several times and it appeared that Adkins was just in the process of receiving his discharge of bankruptcy.

On August 25 the contract was signed with Adkins. There was a \$3,500 fidelity bond with the General Accident Assurance Co. of Calgary in favour of the association. It is interesting to note the terms of the bond, however. The Assurance Company was willing to grant and issue the bond to Mr. Adkins if Scotty Davidson "would personally undertake to handle the disbursements of all monies in connection with the new store contract and see that all monies received under the contract were used on it".

The building progressed slowly that fall. By November it appeared that Mr. Adkins would overspend his estimated figure and by December he had. By January when the building still wasn't completed the board threatened to file for the \$3,500 in the bond. But by February the building was completed. The actual cost of the building was: material \$9,343.22, labour \$4,450.25, totalling \$13,793.47. Total cost \$13,793.47, estimated and allowable cost \$11,558.79 (including legal allowance) difference \$2,234.68.

Both Mr. Adkins and Mr. Pearce were called in to explain the 'difference' and both agreed that the excessive cold weather of November and December created the higher than expected consumption of coal; secondly, the price of sand and gravel was higher than anticipated "and the amount expended for water was enormous". Seems water was likewise as expensive in Lloydminster in 1927 as it is today.

Mr. Adkins admitted "carelessness on his own part in figuring on the specifications and his failure to take sufficient time for careful calculation". Mr. Pearce, however, reassured the Board that Mr. Adkins "had been aware for some time that he was not going to be able to complete the job at the contract figures, but he had never in any simple direction skimmed or shirked the job. He has been exceedingly honest all the way through". When the day was through the Co-op had its new building, Mr. Adkins still had his reputation as a competent tradesman and the bond company was never claimed to pay the outstanding difference on the contract. The association absorbed that.

Scotty hadn't been manager ten months when the new addition was open. By the year 1929 the assets had doubled what they were in 1925, to where the total amount invested by the Co-op in buildings and real estate amounted to \$66,158, and the amount in cash and inventories amounted to \$83,000. Total salaries paid in 1929 were \$6,797 compared to \$300,000 paid in 1964.

While Scotty was only ten months as manager when the new addition was built, he was not manager thirty months when everything burned down in the 'great fire' of August, 1929. The fire left the buildings of the Co-op, excepting the lumber yard and the buildings just north of the tracks, in complete ruin. Some merchandise was carried out and saved but by the evening of August 19, 1929, the Co-op was burned out. The board met that night in the lumber yard office at 8 p.m.

Present on that historic although dismal occasion were S. Rackham, F. H. Dunstan, T. McLaughlin, E. Freyman, A. G. Matthews, F. Jones, W. G. Foote, R. D. Heath, J. H. Brown, and C. G. Davidson.

By 9 p.m. the directors had formally resolved to ask the Town Council for permission to build a temporary building. The plan



was to build a temporary building 50' x 60' at the east end of the lumber yard. But as this was considered a bit far from the trading area of town the temporary building was erected just north of the present Legion Hall and south of the tracks. The material for the temporary building was estimated at \$2,500.

At 10 p.m. the Town Council sent over the following notice: "Pending the construction of new premises on site of buildings burned, of a building complying with by-laws of the town, the Co-op be permitted to put up temporary buildings on lots 5 and 6, block 4, within the fire area, subject to the association providing a bond satisfactory to the council and signing an agreement and giving such other assurance as may be required by the council".

On Tuesday, August 27, the board met again and were able to accept the fire adjuster's report. Of a total of \$82,850 insurance in force, \$76,771 was collected. At this meeting, it ~~was~~ decided to buy the Britannia Hotel property which was now up for sale. The purchase price was \$4,500. An attempt was made to buy the H.B. Hall property, too, offering them \$8,000 but this was turned down. Prior to this, H.B. Hall & Son had tried to sell the Co-op. Presentations were made to the Co-op in 1925 and again in 1927. In 1927 H.B. Hall proposed sale to the Co-op for \$15,000 for property, if they bought the stock at 95¢ on the dollar at current market prices, or a total of \$20,000, if the Co-op wouldn't consider the stock. This was exorbitantly high and the Co-op refused, with regret, the offer. It was not until 1964 that the Co-op and Mr. S. Hall were able to negotiate a suitable transaction.

The new store was contracted on September 20, 1929, by C. M. Miners Construction Co. of Saskatoon. The store was to be a 117' x 100' building at an estimated cost of \$36,000, and finished in three months' time. To swing the deal, a mortgage loan of \$20,000 was needed and this was the hardest \$20,000 Scotty Davidson or the Co-op Association ever had to raise in its history.

If you recall, the 'Stock Market Crash' of 1929 occurred in October and as the arrangements for the money had not been completed prior to that, it became virtually impossible to borrow money. The local banks turned down the Co-op, the Great West Life Insurance Co. at Winnipeg refused as did the Commercial Life Insurance Co. of Edmonton.

Scotty travelled extensively in that period to find money. He tried the Saskatchewan Life Assurance Co., and finally the Regional Office of the Canadian Bank of Commerce in Regina. There he was able to borrow \$15,000 on the condition that the board of directors would sign the statutory covenant thus binding themselves and their personal property to the loan. The Bank of Commerce has ever since been the 'keeper of the purse' for the Lloydminster Co-op.

At the 1930 annual meeting, the president, Frank Jones, expressed his satisfaction and gratitude for the fine year of 1929. In spite of the fire and poor crop results, the Co-op still made \$36,000 profit, had 572 shareholders, and a brand new store. There was only one department in serious trouble and that was livestock. Since 1927 livestock sales had been slipping. There was less pasture available as more land went under cultivation and the farming youth in 1927 were accused of not being as interested in livestock as their fore-fathers. But at the 1930 annual meeting when it was decided to dissolve the livestock department; it was dissolved in favour of the livestock producer pools. From 1931 on the Co-op dropped the merchandising of livestock and became a truly consumer co-operative. They concentrated on the sale of lumber, coal, hides, implements, binder twine, groceries, outfitting, hardware and saddlery.

During 1930, 1931, and 1933, the Co-op showed a continual decline in sales from \$449,000 in 1928 to \$227,000 in 1930, to \$167,000 in 1933. In 1934 the Co-op commenced expanding again and amalgamated with the Hillmond Branch, and sales and savings took an upward surge.

In 1931 the method of identifying the sale of clothing to members was changed from "outfitting" to "Men's Wear and Ladies' Wear". The rural members had ceased to expand due to the depression that was taking place and the matter of outfitting was becoming more recognized and accepted to mean clothing. Lumber sales in 1934 were less than half of what they were in 1925 and implement sales were one-third of what they were in 1927. The grocery, hardware, men's wear and ladies' wear sales were starting to climb and the Co-op was beginning to make its presence felt in the department store field in Lloydminster.

But during this time Scotty and his directors had been at work in another pasture making slow progress. From the time in 1914 when the Co-operative Act was passed in Saskatchewan, local associations had experienced difficulty in obtaining - regular supplies from commercial wholesale firms, who were under pressure from retail merchants opposed to what they considered "the unfair competition of farmers' group purchasing". However, Saskatchewan's first co-operative wholesale enterprise to emerge under legislation arising out of the Agricultural Credit Commission of 1913 was the trading department of Saskatchewan Grain Growers Association.

By the mid-twenties, when all the grain companies had amalgamated and emerged as the United Grain Growers Ltd., in 1917 and the Wheat Pool of 1925, the trading department of the Saskatchewan Grain Growers Association was all but defunct. In an attempt to salvage the remains and re-organize, a venture was proposed by the Co-operative Union to incorporate a wholesale society under the Companies Act. So on July 30, 1928, The Saskatchewan Wholesale Society Ltd. was born. In February 1929, the name was officially changed to the Saskatchewan Co-operative Wholesale Society and, again in 1943 to Saskatchewan Federated Co-operatives Limited, and still later, on January 1, 1955, became Federated Co-operatives Limited as it is known today.

In 1929 Scotty Davidson became its first president and on June 25, 1942, was honoured by the Co-operative Union of Canada. In recognition and appreciation of his services an illustrated address was presented to him which read in part: "We, the co-operators of Saskatchewan, honour you as an esteemed citizen of the province and for your valued services to the Co-operative movement. More especially do we appreciate the leadership given by you to the movement in your community as manager of the Lloydminster and District agricultural Co-operative Association for fifteen years, and your contribution to the movement in this province as president of the Saskatchewan Co-operative Wholesale Society during a period of organization and planning which assisted greatly the successful development of the society in recent years. Also we value those same qualities for leadership and service which have enabled you to make a most important contribution to the welfare of your community as a whole. May you enjoy good health and happiness which comes from service to your fellowman".

Scotty continued on as manager of the local Co-op until March, 1948 when at the age of 73 years he retired, completing 21 years as manager. His retirement brought into focus the need for superannuation of employees. He had struggled long and hard for the Co-op but now, when he was to leave, there was nothing to live on. The board voted \$5,000 to Scotty, to be given at a rate of \$100 a month, but the hue and cry from a couple of directors and a section of shareholders nearly snatched the cup of gratitude and kindness from him. But honesty and pride and gratitude ruled the day. Not only did Scotty receive his gift but every employee of the Co-op since then has had the privilege of contributing or to receiving superannuation.

Around Scotty grew a group of devoted employees who were handed the wheel to guide the ship and perhaps the saddest thing of all to the old captain was that his successors rarely drew from his wisdom and experience and never sought a word

of advise although they did copy the pattern and echo the procedures.

## 12. SOME GRAY SKIES AND DARK CLOUDS

When Scotty gave notice of his resignation and retirement on January 24, 1948, the board immediately looked to 'Federated' for assistance and guidance in obtaining his replacement. It was the suggestion of Les Foote, then president of the board, that 'Federated' be contacted with a view to finding out whether any material for a new manager was available from that source." Mr. Davidson was also requested to enquire if 'Federated' had anyone in view. But "the manager here made a respectful plea on behalf of the members of the staff who had given valuable and devoted service for a long number of years. Before taking in an outsider to fill the vacancy, every consideration should be extended to old employees."

With that plea, there was not only consideration of old time employees, there was effected at the same time a change in organization. The office of general manager was also the position of secretary-treasurer of the association. With the consideration of local employees for the top position of manager, it was also considered wise to separate or unload much of the responsibility from the office of general manager, and spread it around to other long time employees.



The manager forthwith could be manager of the store, and separate positions would be the responsibilities of secretary and that of treasurer. James L. Kinny, a local hockey hero and manager of the Hardware department was appointed manager.

Miss Ruby Gibbings was appointed secretary and Les Loader the long-time accountant, became treasurer. This change in organization remained in effect until the appointment of L. J. Doucet, who, when he became manager, became secretary also. The position of treasurer has since remained a separate position.

With the retirement of Scotty Davidson there came to an end a fabulous era of history. It was with Scotty's retirement that the curtain fell on the first act of a great drama for while there were changes of managers, many of the original and early directors were either deceased or getting pretty rickety.

By 1948 a new breed of directors was infiltrating the ranks, men who were 'polished' businessmen in their own right. There were some like Les Foote, T.S. "Tom" Rackham, Bill Newman, Mel Clark, and even Chris Andersen who were sons of pioneer co-operators. Chris Andersen is mentioned here for he does fall into the category of being a son of a co-operating pioneer, but not with the Lloydminster Co-op. These men had grown up with the Co-op and because it was their responsibility to continue and operate as smoothly and as efficiently as possible the existing Co-op, there was in some way a loss of the rugged individualistic and passionate lustre of their pioneer fathers who had nothing and fought fiercely for what they got.

At the 1948 annual meeting sharp criticism and dissension arose over the board appointing young Chris Andersen over one of the old guard, Fred Dunstan, in filling the vacancy created by the unexpected and untimely death of Dr. A. B. Cooke. George Pensom was there at the meeting and true to style revealed the rugged individualism and passion of the early directors when he said "Let us eliminate whatever sides we are

on, that we are going to quit our partisanism and work for the good of the organization and that directors be directors and act like directors. I blame some of the directors in the past that when some of the rowing started... it came to fisticuffs. Someone should have got in the police and removed the rowdies." Pensom was probably referring to the time when Fred Dunstan planted his fist squarely on Scotty Davidson's jaw in a board meeting, but that was the colour and lustre of the first act of the dram for co-operation in Lloydminster.

With the new breed of directors there came also new types of managers and the short but turbulent second act got underway. Jim Kinny was like a son to Scotty Davidson and all too often walked in the shadow of his predecessor. When Scotty resigned and the choice of manager was going to be taken from the local staff, Jim was the most likely choice.

While he walked in Scotty's shadow when Scotty was around, when Scotty left, the staff and directors expected Kinny to fill the shadow he once walked in. It was this that made Davidson's shadow Kinny's Shroud. Jim Kinny lived only two doors from Scotty but never did Kinny ever seek a word of advice from his old mentor and while this may seem strange it really isn't. While only two doors separated them, there would be miles of psychological animosity, because hardly a week would go by when some sympathetic shareholder or conscientious director or devoted staff member wouldn't fail to remind Jim Kinny how Scotty Davidson would run things.

Jim Kinny was asked to resign because of a drinking problem that no doubt was intensified by the fact he not only had to fulfil the things Scotty left undone but was likewise expected to fulfil them the same way Scotty would have fulfilled them.

It was under Jim Kinny that the Co-op began to retail and distribute oil and gasoline. Plans were actually started in 1948 when on August 7th a meeting of the shareholders was held in

the Alberta Hall. T. W. Barmby of the Regina Co-operative Refinery addressed the meeting outlining the history of Co-ops in the oil business and Saskatchewan's co-operation with the Co-operative Oil Refinery at Coffeyville, Kansas. "The speaker strongly advocated the Lloydminster Association to enter the gas and oil field, not only as a straight distributive branch but, in addition, to organize a filling station in a prominent position in town." It was realized war restrictions would prevent immediate action on the proposal but nevertheless immediate plans were to be made for the establishment of such a plant.

By June, 1945 Mr. Barmby had completed arrangements for the equipment of a bulk station for Lloydminster at a cost of \$8,000. The filling station was not included at this time. The bulk plant was advised to handle six of the eleven 'going grades' of fuel, and first delivery would be made in September 1945.

But, somehow, the board hesitated and the opportunity never really presented itself again until 1949. There were speculations and prospective deals that could have been arranged in the interim. There was the opportunity or speculation of buying out the NorthStar Station that was located immediately across from the Co-op lumber yard. The Maple Leaf Service Station was also considered. Seeking supply from Husky was also considered and the local Excelsior Refinery not only offered supply but offered equipment and facilities as well. However, 'steady Scotty' was in no rush to make a fast and uncalculated move.

In January 1947 plans were submitted by Barmby at Regina to the local board for building a bulk plant and the filling station on the easterly end of the lumber yard property. The estimated cost of the venture would be \$23,000, which included the bulk plant, service station, and all tanks, pumps and delivery truck. In March the directors gave the go-ahead to this project with the understanding that 'Federated' would be able to

supply the fuels for distribution. But on May 17 the deal was off. 'Federated' couldn't supply. They just didn't have the available fuel.

It wasn't until April, 1949 that 'Federated' was successful in negotiating with Canadian Oil (White Rose) Co. to have the Lloydminster Co-op supplied from Edmonton. It was then that building plans went ahead and the bulk plant with retail service pumps became a reality. Frank Coward was hired as the first manager of this department and began work in August. The bulk plant was officially opened on October 29, 1949.

It was over this bulk plant that real persecution was raised against the Co-op. During the management of Mr. Sandhurst, a group of citizens complained to the Provincial Fire Commissioner about the nonconformance of safe distance requirements at the bulk plant. When the Co-op showed him that their 'distance' was not any different to other establishments in town, he could merely reply that he was only dealing with the Co-op. He, along with the town Fire Chief and one city councillor, found fault with the general layout, the proximity of the tanks to other inflammable material, the office not conforming with fire regulations, the absence of flame screens on three of the tanks, as well as the non-conformance of distant requirements. In true co-operative spirit, assurance was given to the Fire Commissioner that either removal to a new site or rearrangement of the then present bulk plant would be effected in the fall of 1956. In October the board agreed to move the bulk plant to the Cuthbert property just north of the city limits.....just where the C.C.I.L. is presently situated. This move was effected during the first part of December.

By 1960 it appeared that with the then present road weight restriction in Saskatchewan it would be most advantageous to haul fuel by rail and this would negotiate the bulk plant moving next to the tracks. This move was effected in December 1960 only after one year in the truck transporting business. The Co-op had Frank Coward go into the fuel transportation

business for them and at the time it seemed a great advantage. But with load restriction on roads as they were, rail hauling was considered cheaper. It was only shortly after initiating rail hauling that load restrictions were raised and transporting again became the cheaper means. At present the Co-op employs both means because every place is not served by the railway now, since even the railroads have gone to truck transport for particular runs. During this time Frank Coward became the truck transporter and Ritchie McLean took over the management of the bulk plant.

To complete their service to the community in the gas-oil field, the Co-op with the assistance of 'Federated' opened a double bay service station in February, 1957 with Elton Webb as Manager. This was another one of those projects started by Scotty Davidson, advanced by Jim Kinny, and completed by Colin Sandhurst when he was manager.

It was also left to Kinny to clear up the income tax problem. Scotty Davidson always said he paid for the war through his income tax, but the Co-op in 1942 and again in 1943 was pounced on by the Department of Internal Revenue for not paying sufficient income tax. The board protested and from then until 1949 filed income tax under 'protest' and every year it seemed Scotty Davidson sent a telegraph wire to Hon. Douglas Abbot, then Minister of Finance in the Liberal Government for his unfair and bigoted treatment of co-operatives.

It was under the management of Jim Kinny and the treasurer, **Les Loader**, that this was finally resolved. A rebate came through for 1942 and a working agreement with the Government was accomplished for the future. W.B. Francis of Saskatoon, legal counsel for 'Federated', was the man who actually 'salted' things away for the Co-operative movement and brought a reprieve from unfair taxation. When W.B. Francis passed away in 1964, he was recognized as Canada's foremost counsel on Co-operative Law.



In February, 1952 Kinny had the store re-decorated, In May of that year he promoted the 'grocery addition' as a new wing to the old store. The annual meeting gave approval to the board to go ahead. In May, 1953 the architect's drawing and specification were approved. It should be noted that the boiler room was to be large enough to hold a plant sufficient to heat the whole store. Secondly, the foundation and superstructure was to be such that a second story could be added if ever needed.

On August 22nd the contract was let to Cleve Construction of Lloydminster and it was agreed that the building was to be completed by December 1, 1953. However, the shortage of steel held up building progress until February and the complete building was never finished until June, 1954. It was officially opened on July 5, 1954.

Actually the whole idea for the new building began with the Credit Union which was anticipating building but asked the Co-op if they couldn't do it together. The annual meeting of 1952 gave the board the power to sell its Victory Bonds up to \$80,000 and finance, if necessary, the rest from the Credit Union. This way it would remain a Co-op store. The Credit Union was allowed office space of 12' x 20' in the new addition but this soon was inadequate for their own expanding enterprise. That space is now the grocery department office. With the additional basement space, Kinny directed the Board toward expansion in the field of furniture and appliances.

Sales and staff problems began to be noticed during the management of Kinny also. The savings percentage dropped from 8.09% in 1948 to 1.48% by 1954, even though sales increased from \$658,500 to \$1,180,000 in the same period. As early as 1953 the Board knew that a problem was mushrooming, although they did not precisely realize what it was.

Through weak management, directors assumed management

responsibilities. As management lost responsibility, there resulted a front-lash on employees. This created power cliques and staff favouritism that worked a canker among the whole staff.

In 1953 when a senior staff member took three months leave of absence for his alcoholism and was still off at the end of six, the Board slowly began to realize their own past errors—their lack of discipline with all employees and their loss of communication and contact with the people who made up the 'front' of the organization. This was brought clearly home when N. Pollock, manager of the Men's Wear Department, in April 1954, asked for audience at a Board meeting.

This apparently seemed a major break-through for staff while the directors were amazed it should be considered such. The directors felt they were always approachable to hear any worthy and justifiable complaint of any employee, but somewhere along the years, the communication and contact had broken down to where the boardroom was the 'sanctum sanctorum' of the 'high and the mighty.'

By July the Board wanted a change of management but was hesitant in being decisive. It did decide on July 16th that 'Drinking Prohibited' signs should be posted throughout the store and particularly in rest rooms and restricted-employee areas. It was resolved that dismissal would be automatic for any employee found under the influence of or in possession of alcoholic beverages on the premises.

That motion read and still reads as it is passed to each new employee: "that this Board of Directors absolutely forbids the possession or consumption of any alcoholic beverage or liquor on any of the association's premises. Any member of staff having possession of or consuming the same or under the influence of on any properties of the association shall constitute immediate dismissal". It was now the board faced the moment of truth.

For a long time the directors realized a precarious situation existed in the organization. During the days of Scotty Davidson, the directors had let the bottle into the Board Room. While this never endangered the stability of the Co-op or the confidence Scotty himself engendered to the organization, the problem of drink infiltrated beyond the Board Room into the office and finally into the employee areas and rest rooms of the store. Now the Board was reaping the 'back-lash' of their leniency which was nothing less than the tail of a whirlwind.

At a special meeting on July 19th it was "moved by T.C. Taylor that the entire Board constitute a committee to visit Saskatoon regarding interviewing the Managers Personnel Department of Saskatchewan Federated Co-operatives Limited." The Board as a committee did visit Saskatoon on July 29th and on August 6th at their next meeting initiated their purge of "investigation and re-organization." This began with the resignation of Jim Kinny.

A week later, August 13th, the Board didn't ask for but nevertheless had received the resignation of its long (27 years) and faithful secretary, Ruby Gibbings. Chris Andersen, the President, had also to draft a letter to the membership. Considering the nature of events and its far-reaching implications, it was beyond a doubt the toughest letter Chris Andersen ever had to write for the Co-op.

Two weeks later Mr. Linnen of the lumber yard resigned. The Co-op was in a state of confusion, but a few cool heads kept the ship afloat. President Andersen came in every day to act as manager until a new one was obtained. In September, A.B. Heeny was hired.

Heeny was a highly trained and experienced merchant from Port Arthur. Unbeknown to the directors, however, Heeny, too, had a drinking problem. He had been a confirmed alcoholic who had straightened up. But, somehow, with the new

responsibilities here and without the support of his wife and family who had remained in Port Arthur to effect the transfer of furniture and belongings, Mr. Heeny slid off the wagon and resumed his drinking. In two weeks he was in the hospital undergoing treatment. For Chris Andersen the hand writing was on the wall with this chap. The board only a month earlier sought to burst its cocoon of lackadasical complacency and blossom forth in full maturity to be the Co-operative Association it should be. The day after Mr. Heeny left his hospital bed, he was relieved of his position as manager of the Co-op.

However, it should be said it is an ill wind that doesn't blow somebody some good. When Heeny came, he had no place to go and houses were at a premium. He and D.R. Dean, secretary since 1953, both were looking for a house. Together they approached the board about securing assistance from the Association to endorse a loan from the credit union to build a Co-op employee residence. To this time, the Co-op had never considered building homes. It was this instance, even though Heeny never lasted to see the home build, that the Co-op began to build homes. Through this feature, the Co-op employs fifty men annually and thus provides additional employment and income to the community.

Again, for the next couple of months, Chris Andersen made his way to manage the affairs of the Association. Chris never begrudged the time. He was elected to serve and serve he would, fulfilling his responsibility and duty. In many ways Chris Andersen represents the many men and women of the Co-operative movement who, seeing responsibility, are willing to meet the demands of the hour with sacrificial service.

### 13. DARK CLOUDS.....CONTINUED

By November, Colin Sandhurst was appointed manager. Sandhurst had gained considerable experience and was well qualified, coming from the Hudson's Bay in Winnipeg. However,

the greatest drawback to Sandhurst was his lack of co-operative background. In the Co-op the manager is always playing coach to the team of department managers. He is the playing coach, not just a figure-head.

This was Sandhurst's greatest drawback, for his officious temperament and totalitarian ways ran him afoul with this team of department managers and soon 'Berlin Walls' were erected between them.

At the same time Sandhurst came to a Co-op that had become sloppy and loose in its organization. He had to rebuild because everything had deteriorated since Davidson's retirement. His re-organization was deliberate, decisive and served to get the whole association back on a sound business adventure. It was his management and Andersen's initiative that established sinking funds guaranteeing members' investments.

This compulsory savings plan continues to guarantee member investments in the Co-op and is largely responsible for members continuing to purchase Co-op bonds and debentures, which enables the association to continue its expansion and growth.

Sandhurst began his re-organization immediately with a change of purpose of the Association. The Association previously, in Scotty Davidson's day, had changed the purpose of the Association. At that time it was necessary to re-state the aims because at founding in 1914, the Co-op sought especially to be a producer-co-operative. In 1955 Sandhurst led the Association to this change: "purchasing, procuring, selling, exchanging, hiring and dealing in goods, wares and merchandise, construction and remodelling of buildings of all kinds and to carry on a general garage business."

Besides the sweeping changes in financial structure already mentioned, Sandhurst enthusiastically reduced the accounts receivable, got tough on loose credit procedures and cut back tremendously on inventory. Under him staff benefits were



gradually introduced. In the same month he was hired, staff purchases could be made at ten percent above cost. Sick leave benefits were increased to one week for each year of service, non-accumulative, with a maximum of one month in any one year to be effective from the date of employment.

The former was changed again by L. J. Doucet when he instituted the policy that because staff and directors were members they should be treated as members, but employees should receive wages sufficient to live on without charity and preference from the association, and such wages should be comparable to wages being paid by other firms in town and other co-operatives in the province. Doucet's intention was that the Co-op should be a leader in the community even in the matter of fair wages to employees.

Sandhurst moved ahead quickly in adding services to the association. A coffee bar was added in 1955. This matter of a coffee bar first found its suggestion at the annual meeting of 1946 when L. B. Nicholson asked why the local Co-op couldn't have a modern cafeteria like stores in the big cities. The president, T. C. Taylor, answered that at the time there wasn't sufficient space and the ceiling in the basement wasn't high enough. The coffee bar was not pursued again with earnestness until December, 1954 when on the motion of E. T. Holman that investigation be initiated and reported on at the next meeting.

Co-op fertilizer was stocked and this was the beginning of the farm supply department. The bulk plant was moved and improved and the service station was added in 1956 and 1957 respectively. House construction was ventured upon with the completion of the two houses initiated by Heeny and Dean. These became employee residences. In September, 1955 Clark Homes of Edmonton were being contracted by the Co-op for erection locally.

Delivery service was fully initiated in February, 1956 with the

purchase of a van for the hardware department. One of the earliest delivery boys was Stan Reid, now Edmonton Journal correspondent for Central Alberta and living in Red Deer.... he and his bicycle.... during the days of the great fire of 1929.

The harness department died out with the death of the last harness maker and the harness department equipment was donated in August, 1955 to the Western Development Museum at Saskatoon. In the changing era when harnesses were no longer required in the onslaught of farm mechanization, there was still great need for binder canvass repairs, a function a harness maker would well perform, and this service was offered by the Co-op to the community right up until augers were no longer an exception.

Expansion at the lumber yard was also becoming imperative. Andersen and Sandhurst had dug up prospects of property and buildings for purchase. The Marshall Wells warehouse could be obtained for \$25,000, but recent renovation and expansion had depleted all resources. Sandhurst made a comprehensive investigation and explored various sources for loans. When negotiations were about signed and sealed with the Credit Society for \$25,000 for seven years at 7%, Mr. Nicholson, manager of the Canadian Bank of Commerce, stepped across the street with the offer of \$25,000, for six months at 5-3/4% per annum. That offer was virtually snapped up. The lumber department had a new warehouse.

To effect his administration, Sandhurst built up a system of personal lieutenants. One of these was Jack Hiltz, an old war buddy and business partner in Winnipeg. Hiltz was designated 'operations manager' but more office boy, handyman and confidential informer for the manager, than an operations manager properly understood by the co-operative association.

Perhaps this move, more than any one other thing, created the tension and breakdown of relationship and communication be-

tween the playing coach and his team of department managers, because by late '56 and early '57 it was apparent to directors, that staff was not responding to his leadership and was resenting his management. In July '57 two department managers, Scott McNairn from lumber and Tommy Wyse from Hardware, were ready to resign but before doing so wanted an audience with the board. Mr. Sandhurst threatened the board that if listened to these men he would resign and there would be a chain of resignations following him of others who were on his side.

But the board had not forgotten the days three years previous. They realized their own error then of the lack of communication and contact with staff. It apparently seemed to the staff, then, that the board was remote and uninterested in them. There would be no repetition of a similar event. They heard out the grievances of the department managers and accepted their resignations. But the board also accepted the resignation of the manager. With him went his 'operations manager', Jack Hiltz, and the women's wear manageress, Eva Neslund.

Before the meeting ended the board realized how president Chris Andersen would accept his responsibility and authorized his car travel for as long as he acted as manager. It is interesting that while the board accepted the resignation of McNairn and Wyse, after Sandhurst, Hiltz and Neslund had left, the board asked these two to stay on the job until a new manager was appointed. McNairn stayed till three days after L. J. Doucet had arrived and Tom Wyse happily stayed with the Co-op until January, 1964.

The office manager in January, 1956 was S. E. 'Ted' Matheson, who for twenty years, had worked with Hudson's Bay in Winnipeg as traffic manager. In '55 he came to the Co-op to work with D. R. 'Dave' Dean who was then secretary of the board and office manager. The co-operative-oriented Dean and private-enterprise-oriented Sandhurst didn't just jive together and Dean

transferred to the Co-op at Kindersley. Matheson was appointed office manager and under L. J. Doucet's management has been elevated to sole control of the credit department.

There is historical significance attached to Ted Matheson which perhaps should be recorded. He is the only son of Elizabeth Beckett Matheson who was the first qualified woman doctor in the Northwest Territories, coming to Onion Lake now in Saskatchewan) in 1892. Born in 1866, Mrs. Matheson was teaching school in 1882 at 16 years of age at Morris, Manitoba. In 1887, she attended the Women's Medical College at Kingston but did not finish her course before she left Canada, under the Presbyterian Church in Canada, as a medical assistant, or zen-ana, for a foreign mission appointment to India in 1888. Due to the hot climate, ill health overcame Elizabeth Beckett Scott and she returned home early in 1891 and later that year married an Anglican priest, John Richard Matheson, and in 1892 they moved westward to his first appointment at Onion Lake.

From the time she arrived, she was continually called upon to minister to the sick. Later she applied for her licence to practice but as she never completed her training the licence was denied her. In 1895 she returned to Kingston to take the second year of her course and in 1898 completed the course and graduated from Victoria College, Toronto, with her M.D.C.M. However, upon returning to Onion Lake and applying for her licence, she was again denied the right of practice. This time, she was told, she needed Manitoba certification and standards to receive her licence. She continued to raise her family which ended up as five girls and Ted. In 1904 she enrolled in Medical School at Winnipeg and after one year's residence wrote the Manitoba College Senate Exams in medicine and passed them. When she returned home, she reapplied for a licence but again she was turned down; when Matheson, himself, attended to the matter and took up her certificate with the authorities, the licence came by return mail.

She continued to minister until 1918 when she left Onion Lake

and took up a Public Health post with the Winnipeg School Board. Rev. Matheson died in 1916. Mrs. Matheson continued in her post until 1943 when she retired. In 1948, fifty years after graduating from Victoria College, the University of Toronto honoured her at their Convocation with an honorary doctor's degree. Today she lies buried at Onion Lake.

#### *Co-op Board of Directors - 1955*



*H. M. Clark   Oliver Davies   George Davis   Basil King   J. C. Anderson*  
*(Past Pres.)   (Deceased)   (Deceased)   (Past Pres.)*

*Taylor   W. C. Newman   Les Foote   E. T. Holman*  
*(Deceased)   (Past Pres.)   (Past Pres.)*

14. THERE WAS A MAN SENT FROM GOD WHOSE NAME WAS.....

Nine years, three managers and many a tumultuous tempest later, Les Foote and the directors no doubt wished they had followed through on their original inclination and asked 'Federated' who they might have in mind for the position of manager when Scotty Davidson retired. About this time the Direct-



ors must have been looking for some divine intervention to redeem the situation. Understandably they would be on the lookout for 'a man sent from God.'

On a cold November evening in 1943, two very young pilot officers of the Royal Canadian Air Force were plodding the streets of Lloydminster, taking in the sights on their first visit to town, while waiting for a train. They had arrived with four others in the morning—an honour guard of six—to bury a friend who had died in the service at Vancouver but was a native of Lloydminster. The funeral was over. The sound of their three-volley salute over the grave had faded. There was only the wait.

The two stopped and leaned against the wall of the Bank of Commerce; across the street in the window of a store was the sign—"Save at YOUR CO-OP STORE". Bill Cox, a Frenchman (believe it or not) said to his friend, "What is a 'Coop' store?" And his friend sniffed a laugh and said, "That is not a 'Coop', but a 'Co-op' Store.

Then, very patiently, the friend told Billy Cox all about Co-op Stores.... how his dad left the hungry prairies around Biggar and trekked north to Makwa to farm in the dirty thirties. In two years his dad became the manager of the Makwa Co-operative Store and after school he worked in the Co-op Store and "some day I'm going to be the manager of a Co-op Store, like that one there".

In 1957 the Lloydminster Co-op was looking for a manager and on a warm August afternoon this once young pilot officer returned to Lloydminster. His car was parked near the same spot he had stood fourteen years previously. That November night flashed through his mind as vividly as had it occurred the night before, and then almost intuitively he knew he would become that much needed manager. And so, on September 1, 1957, Leo Doucett became the manager of the Lloydminster and District Agricultural Co-operative Association.

From his application to Chris Andersen who was then Pres-

ident of the Board we learn that upon discharge from the Air Force, he completed a three-month preliminary course on Co-operatives in three weeks. After that he applied for a job with Federated Co-operatives in their 'Associated Stores' department and was sent to the Domremy Co-operative Association.

At nineteen, he took over the managership of this Co-op and served as manager for five years. This association grew and expanded in that time and, when Leo Doucet left, his father, who was still manager at Makwa, took over as manager in Domremy.

In 1949 Eric Hughes, who was one-time Grocery Manager for the Lloydminster Co-op and went in 1943 to Federated, offered Doucet the position of roving regional manager and Stores Supervisor. From 1949 to 1951 his activities were connected directly with Retail Co-operatives. Being supervisor consisted of travelling around to twenty-six associated stores and forty bulk stations in the north-east part of Saskatchewan.

In 1951 as Roving Regional Manager stationed at Nipawin, he managed a group of local Co-ops which because of financial difficulties had signed management contracts with 'Federated' whereby 'Federated' was responsible to the individual Boards for the efficient management of the Co-ops involved. Some of the duties and responsibilities included meeting the different local Boards, recommending corrective measures acting on the local Board's behalf as well as 'Federated's' in assuring the affairs of the Association were being properly managed.

As one reflects on this we can see the tremendous training ground and preparation all this was in expanding his knowledge of co-operative procedure and learning the skillful art of 'how to win friends and influence people'. In 1953 Doucet transferred back to Saskatoon where he worked the 'trouble' spots as the now well-experienced trouble shooter.

Leo Doucet resigned from Federated Co-operatives in the

spring of 1954 to become 'Operations Manager' with Saskatoon Co-operative Association, again working with Eric Hughes who was and is General Manager at the Saskatoon Co-op. During his employment with Saskatoon Co-op, he took an advanced 'Management Administration Course' at the University of Saskatchewan.

When he applied for the position at Lloydminster he wrote: "I am well aware of some of the problems your Association has to contend with; I think I have the administrative ability, training, experience and drive to do the job you and your members have a right to expect from the management of a retail Co-op. . . . I am confident that I can work harmoniously with staff and Boards and get the job done to the satisfaction of members". That, Leo Doucet, has been striving to do ever since.

With Leo Doucet, the Co-op has made nothing but progress. Upon his arrival, the Board pressed on with a 'clean-up, paint-up, brighten-up' interior decorating program. Plans were made for the introduction of fresh meat into the grocery department new modern produce counters were to be installed, and a re-organization of the lumber and hardware department was effected. Staff discounts and special privileges were replaced with a comprehensive medical plan. The Board was re-iterating the fact that staff are members and are not to be treated any differently from other members.

When all this was accomplished by February '58, the management and Board began exploration for a drug department. This matter had actually come up in March, 1939 when the Pharmaceutical Association in Saskatchewan curtly replied to Davidson's letter for information regarding the establishment of a drug department. The issue had arisen that while the grocery department had always stocked aspirins and cough syrups and other patented medicine, it had become illegal to stock the same in a grocery store. In answer to this, we can imagine a fired-up Scotty muttering he'd start his own drug store in the Co-op.

While there is no record as to what Scotty wrote, the reply from Pharmaceutical Association was cool and curt. The reply stated that "all directors would have to become qualified druggists, and besides the Secretary of the Pharmaceutical Association did not see what the Co-op wanted with another drug store when there were already two in operation in Lloydminster."

This unholy attitude to competition sparked the whole Co-operative movement to war with government legislation regarding the drug act. It was agreed throughout the province among mercantilers that the attitude of the Pharmaceutical Association in 1939 was "dictatorial and prohibitive of competition." Even on to January, 1942, the Commissioner of Co-operation in Saskatchewan wrote the Lloydminster Board that "continued unworthy opposition from the organized drug trade was still pronouncedly in evidence." Mr. Arnason asked that he be "permitted to utilize the Association's stated objection and to permit his using that erstwhile resentment to the unholy dictation of the Pharmaceutical Association in Saskatchewan."

In February of 1944, W.B. Francis, solicitor for the Co-operative Union of Canada (Saskatchewan Section) advised the Association that reconsideration of the Pharmaceutical Act was under way. Mr. Francis pointed out that while Co-ops may not be privileged to open a drug department, it was thought wider range of restricted medicines might be permitted.

It came as a jubilant surprise to everyone that after government investigation of the problem and legislation was passed, Co-operatives were provided the right to have drug departments, provided there was one qualified druggist in attendance. In a very real way it was the spark from fiery Scotty Davidson that essentially initiated the Co-operative movement toward drug retail in Canada.

The local Co-op, however, felt at the annual meeting in 1945 that the time was no longer opportune in Lloydminster to enter the drug field as there were now three drug stores in the community. Sherwood Co-op in Regina opened the first co-op drug department in 1953. In 1954 while Leo Doucet was 'operation manager for the Saskatoon Co-op Eric Hughes and he laid the foundation for the second co-op drug department and under Leon the third co-op drug department in Saskatchewan opened in Lloydminster in 1958, without a single objection from the Pharmaceutical Association or local druggists.

When the drug department was completed and renovation in the hardware department was finished, the lumber yard got a real face lifting. A new building was erected and it was opened by the Hon. T.C. Douglas, Premier of Saskatchewan, on November 5. In that same fall plans were initiated that eventually brought the bulk plant to its present rail-side position and also truck transporting was anticipated. In January, 1959 the trucks hit the highway, transporting bulk fuel in a big way for Co-ops. The drug department had to be expanded in 1959 as did the cafeteria. It is interesting now that with the modern cafeteria the Co-op has, being large enough to cater to small banquets, to compare the original idea the Board had in March 1940 of a few stools, arranged in such a fashion as to be a coffee bar and soda fountain.

In those days there used to be a 'Suggestion Box' in the store and there was a 'Suggestion Box Committee' which looked over all the suggestions and determined which ones should be sent to the Board for further discussion and perhaps eventual action. It was in the suggestion box that the coffee bar and soda fountain first made its appearance in the Co-op. Scotty Davidson asked permission to explore the idea and report.

In May of 1940, Scotty reported: "In considering the matter, a portion of the grocery department has been suggested for the site. It would be the intention to serve tea, coffee, sandwiches,



and also ice cream, soft drinks, etc. In addition to this it was proposed to add to the lunch counter all cigarettes, cigars, tobacco, patent medicines, and confectionery. Two girls would be required to handle the department at salaries of approximately \$10 per week each. A full list of the equipment has been procured." A proposed layout was presented showing the position of the horseshoe counter, refrigerator, tobacco cabinet, soft drink container, and grocery shelving. It was estimated that the cost would be as follows:

Sundry equipment	\$ 858.00
Cooler	400.00
Soda equipment	115.00
Counter, shelving, paint, and labour	165.00
	<hr/>
	\$1538.00

Full consideration was given to the lunch counter report. All appeared to favour the project, but owing to the existing war conditions, it was felt that caution had to be exercised in expending monies. This hesitation in 1940 grounded the whole matter until 1955 when under the management of Colin Sandhurst the cafeteria was first introduced. The renovation in 1959 cost \$25,000.

The lumber yard so progressed and advanced under its new roof that in 1959 an addition had to be built and the farm supply department divorced from lumber. The expansion in lumber was largely attributed to the lumber traffic used in house construction, now a big and increasing department under Tom Wyse.

In 1959, with all its flurry of activity, set the Board to think and to plan on the long term. With a five-year plan in mind, the Board had to make major decisions as to whether to tear the old store down and rebuild or completely renovate the old

premises. At an expense of \$13,000 the Board employed a Chicago firm of Department Store Engineers to prepare a detailed study of the trading area of Lloydminster. When that report was completed, it was established that the present building could be renovated and that prospects of development were such that the Co-op should venture forth with a quarter-million-dollar expansion and renovation program—a program that has witnessed many highlights even in 1964.



*Co-op Centre Building prior to 1961 renovation.*

When the report was completed and presented to the Board, the Directors began in February of 1960 with the renovation of the old store. They tore out pillars, replaced wooden beams with steel, completely re-wired and added new lighting fixtures, remodelled the front, re-situated and re-located departments, completely air-conditioned, added 10,000 square feet to the basement for merchandise, and added more check-outs in the grocery department, until the old became the new and modern store that is the Co-op Centre today. This renovating took two years to complete and really not until the Barber Shop and Beauty Salon were completed and occupied in 1962 did management feel the renovation complete.



*Co-op Centre after 1961 renovation.*

*J. C. Anderson,  
Director, receiving  
\$100,000 cheque  
from Sandy Hill of  
Western Canada  
Savings & Loan Co.  
This cheque  
represents moneys  
put aside the past  
10 years to protect  
a building bond issue.  
1959.*



During this time in 1961, there was the amalgamation of the District Co-operative Associations at Marwayne, Neilburg, and Marsden with the Lloydminster Co-op. In the coming year

there will probably be the Lashburn and Maidstone Co-operatives uniting too. Hillmond Co-op commenced in 1934. This amalgamation has served to bring better service and lower prices to the members and the patrons at the Co-op. The weekly advertising done by the Lloydminster Co-op in the newspaper serves those Co-ops too, as the prices quoted for Lloydminster are the prices used in the district Co-ops. Here, with less expense in travelling, the member can shop as cheaply in his home Co-op as he can in the city. The benefits of this amalgamation are only beginning to be felt by the members of the Co-op.

In 1962 the farm supply centre had to be added on to and increased in size. It was in 1962 also that the capital stock was reverted from \$25.00 shares to \$1.00 shares. The assets in 1962 reached the two-million dollar mark and member shares exceeded the half-million dollar mark.

1963 was a year of consolidation. The Shortell Auto Body & Repair Shop and the Miner-Gulak properties were bought and the Co-op Health Clinic property was also purchased. In early 1964 H.B. Hall & Son Ltd., building, property, and inventory were bought by the Co-op with the only view of extending its arm of service to the people of the city and district. With the saving percentage down to 1.48% in 1954, up to 6.6% in 1960, and levelling off in 1962 and 1963 to 5.5% where it was in 1948 when Scotty retired, the Board of the Lloydminster and District Co-op no doubt looked over the past and felt they had in Leon Doucet, 'a God-send!'

## 15. FIGHTING FOR PRINCIPLES

In February of 1962 one of the most difficult yet most colorful episodes began in the history of the Lloydminster Co-op. On February 18, management became aware of union organizational activity within the company, and realized there were

principles to be defended and integrity to be preserved in such activity. Plans were already underway for the complete renovation of the store. Management had its hands full with reorganization, department changes, and plans for future expansion, but every once in a while, as if one's own troubles weren't enough, something theoretical yet with very practical implications and overtones raises its head for consideration. This is precisely the situation the board found itself in when union activity commenced.

In February the co-op had a staff of 70 employees with 13 in management and confidential capacity, leaving a possible appropriate bargaining unit of 57. Labour unions are organized today by a union applying to the Labour Relations Board of the provincial government stating they desire or have been invited, either course is available and legal, to be bargaining agents for the employees of a particular firm. The Labour Relations Board in turn writes to the employer informing him of the union application and that it will be granted on such and such a date in such and such place, etc., unless management opposes the application.

A union, in filing application, usually states whether they desire a vote of the employees to confirm the application. It was the case with the Lloydminster Co-op that no vote was applied for originally. This action could always be suspect by management. For what does it mean? That no vote is needed? Does it mean that the union has 51% of the employees already enlisted as union supporters or does it mean they don't have 51% but if management doesn't contest, a majority vote isn't needed anyway?

Now, theoretically, the Labour Union is supposed to be democratic and possess 51% of the names of employees as willing and voluntary members of the union. However, unions might only have one, two or three names of employees and apply for



bargaining rights of all employees. Sadly enough many factories and firms in Canada have been unionized on that basis because management did not carry out their responsibility to the employee.

On March 5 the Labour Relations Board met to deal with the application for Certification and management, having been given the opportunity of replying, opposed the application.

Management felt that the union did not have 51% of the staff solicited and signed for support. Indeed, at this time, it was later revealed, the Union only had about 16 of the 57 employees enlisted in their favour. So for the 41 employees who didn't want to be represented by union officialdom or organized labour, the co-op board stood up to be counted, showed their conviction, and revealed their concern. For this principle, the co-op board was maligned by labour, ridiculed by private business and queried by other co-operatives. Thus, began Saskatchewan's longest labour dispute in certifying a union.

The fact that the co-op challenged the certification completely startled union organizers. Immediately they were caught off guard. Instantly they were sent into a tailspin. Not having the majority required, and not having asked for an ordered vote, stalling tactics had to be implemented and 'foul play' was claimed.

Industrial espionage, coercion and intimidation of employees was all charged. Something had to be done. Management couldn't win the day. A postponement had to be gotten. The hearing was postponed to March 13 for the union to prepare their case. The Saskatchewan Trade Union Act provides that it is an unfair labour practice for an employer or his agent:

- 1) to interfere with, restrain or coerce any employee in the exercise of any rights under the law;

- 2) to discriminate or interfere with the formation or administration of a Union.
- 3) to fail or refuse to bargain collectively with representatives of the union.
- 4) to discriminate in regard to hiring.
- 5) to use coercion or intimidation of any kind, including discharge or threat of discharging and employee because of union activities.
- 6) to discourage membership in the union.
- 7) to maintain a system of espionage or to employ or direct any person to spy on any member, proceedings (meetings) of a union.
- 8) to shut down his plant or to threaten employees with a lockout or change any wages, hours of work or conditions of employment while a union is being organized.

On March 8, an employee of less than 32 days with the Co-op was suspended. Employed in the meat department, he was a person who didn't have the qualifications or ability to make the grade. This employee was enlisted by the union and then made the goat for substantiating an unfair labour practice. The union charged he was dismissed because of his union activity. When the hearing re-opened March 13, an unfair labour practice charge was laid and the Labour Relations Board postponed the hearing for certification until May 9, In the interim, the union pulled out all stops and put on all the pressure they could in an attempt to certify the union.

A campaign was organized with bulletinized letters, reproduced charges and mimeographed Labour Board decisions. By having the appropriate unit cut down, by disqualifying departments where they had no support, like the petroleum, house construction, transport and lumber departments, they sought to increase their chances by lowering the total to meet their required 51%.

In the two month's campaign that pursued during March, April and May, the organizers were still only able to recruit twenty-two employees for union support, and one of these was part-time - an employee who had only worked nine and one-half hours in the previous six months. It is interesting to note just what kind of employees signed union cards as compared to those who didn't. Those who were for the Union included:

- 5 employees with 2 years seniority
- 3 employees with 1 year seniority
- 13 employees with less than one year seniority
- 1 part-time employee

Those who were against the Union included:

- 5 employees with 10 years seniority or over
- 4 employees with 5 years seniority
- 12 employees with 2 years seniority
- 6 employees with 1 year seniority
- 9 employees with less than one year seniority, including part-time

The hearing of May 9 held in Saskatoon lasted for some five days and was one of the longest in the history of the Labour Board in Saskatchewan. At this hearing, seven employees of the Co-op were subpoenaed by the union and a total of ten employees including management were tied up during the busiest week of the year. During the hearing the charges of intimidation, coercion and espionage were dismissed. The unfair labour practice stuck and the employee was re-instated. Discussion around the appropriate unit pursued. The Co-op agreed to have the one part-time employee included in the appropriate unit providing all casual employees were included, but if the union decided they wished the casuals excluded, the Co-op insisted the union would have to exclude them all. The Co-op at the outset had signed and filed a form indicating whom all employees were. On this form, management was aware

they had listed three employees who were casual but the union was not aware that these were casual employees.

On May 14 the hearing closed and the Board was deliberating its decision. It was a decision to order a vote to clean the confusion that had filled the week-long hearing. During the deliberation a union representative on the Board slipped out and contacted the union that an "order to vote" decision was forthcoming. The union gaining this knowledge prior to it being handed down formally was able to immediately file an application for a re-hearing. With the application the Labour Relations Board simultaneously withdrew its order to vote.

Another hearing was held in Regina, June 4, and at this stage the Union was claiming and bluffing they had 28 signed union cards. The pressure was on the May 9 hearing whether the union had 50% or 51% of the appropriate unit, and the impression was trying to be established that if the appropriate unit was cut down to 46, omitting particular departments, then the union unquestionably had the majority. The Board was fancied into and bought this impression, and on June 4 ordered certification of the union.

Doucet and company were mad. Their counsel suggested that it was no use fighting organized labour. The war would only get dirtier. One may win the battle but lose the war. The Co-op released their counsel. Here on in they would fight it alone. They truly believed there was justice in Canada and there were people in the courts of this great nation who were committed to the prevalence of justice. A brief was prepared and audience was requested with the Premier and the Minister of Labour. The Minister of Labour saw fit to meet with the Co-op representatives at a meeting in Saskatoon. He insisted, however, the meeting be held in the office of the Chairman of the Labour Relations Board. The Chairman was absolutely opposed to the Minister of Labour even listening to the company's views. He further indicated that if the minister took action, he, the Chairman, would resign.

At this meeting, however, the Co-op representatives pointed out they were not satisfied with the Board's decision and the inarbitrary finality of that decision. There had been no opportunity to question and no right of appeal - all of which was contrary to the principles and procedures of justice in this country. If the Chairman of the Board continued to persist in his absolute authoritarian ways, then the matter would have to go to the courts. The process by which the union was gaining inside information, as well as the authoritative procedures of the chairman and the union's dissemination of the Co-operative business in session and out, was not only disconcerting but was reaching proportions that created serious legal questions.

The Chairman of the Labour Relations Board finally advised the Co-op that if they could prove the union did not have a majority at the time of certification, the Board would reconsider the certification. The Co-op did not feel the onus of proof was on them. It was the duty of the Board to know the truth and not be satisfied until it had the truth. The Co-op, however, applied for a rehearing and it was started July 16, exhibition week in Lloydminster that year.

At the hearing union counsel, union organizers and union representatives on the Board were incensed and indignant that management for the first time in time immemorial had won a rehearing. Coercion, political manouvering, dirty politics were all charged. Wasn't the Co-op found guilty of an unfair labour practice? Shouldn't this alone make their word suspicious, their status untenable and therefore deny them any rights whatsoever. The union claimed management was out of order, even questioning the Board.

In a show down, Mr. Doucet asked the chairman to have the signed cards laid down on the table. The union was persisting in the erroneous image that they had 28 cards. The chairman ordered the cards counted or a vote be taken. The Co-op estimated only 22 cards out of 46 were signed. The union



produced 23. There was a 50-50 split. A vote had to be taken. The Board rescinded its decision of June 4 whereby they had certified the union and a vote was ordered for August 10.

The big bluff had come to an end. The 'fat was in the fire' and on August 10 truth and justice, and the very wishes of the employees, should prevail. Mr. Doucet went on holidays the weekend prior to the vote. The union hit town with seven organizers to interview every employee and pass out "literature" which consisted of letters, reproduced charges and Labour Board decisions. On September 25 official notice from the Labour Relations Board was received. They dismissed the union's application as a result of the vote taken - ten voted for the union, one vote was spoiled, one contested, and the rest voted against.

Summing up the hearing as a whole, Mr. George H. Whitter, a member of the Labour Relations Board, said it was the best poker game he had witnessed in sixteen years on the Board. It is rather enlightening and informative just to hear what he and another member of the Boards, J. W. Hamilton, did say of the hearing as it is recorded in the 'Canada Labour Service' 85-1078-1080 - 4-9-62. Mr. Whitter says in part:

"The said company was found guilty of an employee's wrongful dismissal on the unfair labour charge for which I duly voted along with the rest of the Board. It is the certification order that I protest most vigorously.

"From the very commencement of this hearing, legal counsel for the union started to disseminate this co-operative business. It may be well held that this is the prerogative of the union, that they can select what they consider an appropriate unit and can apply for an order accordingly. However, in his case, counsel for the union argued quite strenuously to have a lady, a casual worker, added to the company's statement of employment and be included in the bargaining unit.

"I only wish I had a tape recorder to play back on the pleading of union counsel as to why she should be included in the bargaining unit. It is also interesting to remember how counsel deleted from the list the petroleum department, the construction department, transport drivers and every sundry department in which he felt he had no support. This was the best poker game I have witnessed before this Board in my sixteen years on the Board.

"When the hearing finally came to a close, the members of the Labour Relations Board started to sift the chaff from the straw and finally came up with a 50-50 split.

"Therefore, the only course for the Board was to dismiss the application or order a vote. It was at this time that one of the union board members took it upon himself to contact a representative of the union to seek further information and to double check to see if we had made any errors.

"After the noon recess this member reported back to the Board and found he could not alter the original standing. The order was then duly passed and a vote ordered. It is at this point that I raise my strongest objections, for it was from this information that counsel for the union requested a further hearing before the Board. The chairman of the Board did phone me and told me of the union's request to reopen the case. I agreed providing that nothing new was to be introduced, and it was for clarifying purposes only.

"When the union returned before the Board, their request was for exclusion of all casual employees. This would throw out the casual employee, the lady for whom the union counsel pleaded for so hard. It is quite obvious to me that had the union come up with a majority of even one that the casual employees would all have been in the bargaining unit.

"It is the unethical manner in which this whole procedure

was carried out that makes it, to say the least, distasteful, be it within or without the power of the Trade Union Act.

"We found management guilty of an unfair labour practice. I wonder what charge should be laid against the union and the Board for condoning such action as above.

"A vote should have been granted and I am sure that the results would have been more honourable than the conduct of the union."

Mr. Hamilton's dissent is also recorded:

"I concur with the above dissent and add further:

- 1) the union connivance and undiplomatic insistence certainly destroys industrial peace in the plant affected.
- 2) the wishes and express feelings of the casual employee were cast on the altar of sacrifice to satisfy the avarice of the union.
- 3) the manner by which the union became aware of comparative support certainly suggests a breach of faith and the disregard of the oath of office of a certain Board member.
- 4) knowing the details of the procedure used to re-open the case and the evident result of the re-opening on the basis asked for, the Board should have stood firm upon its initial decision."

So ended one of the longest labour disputes in Saskatchewan - but it also revealed that justice does exist in Canada, even though sometimes that takes real courage and conviction and strenuous effort to have it prevail.

## 16. CO-OPERATION BY AMALGAMATION

In the years 1909-1914, the Co-operative enthusiasts around Lloydminster never thought of regional development among co-ops to the extent that the Lloydminster Co-op would have branch stores. But then it never really thought of a co-operative wholesale or co-operative manufacturers either. Its primary concern was to organize its purchasing power to be able to sell its produce and buy goods and services that were needed.

Regional development has come to the fore in the co-operative movement in recent years. In Saskatchewan at Swift Current, Yorkton, Unity and Lloydminster, the development of co-operation among smaller co-operatives with a large Co-op has produced amalgamations. This seems to be a growing trend and it is prophesied by some that in the next fifteen or twenty years, there will only be twenty large regional co-operatives in Saskatchewan, with each having a well developed network of stores in nearby smaller centres servicing the people co-operatively.

However, in Lloydminster, branch development began even before Co-ops began to amalgamate, or regional development was conceived. In 1934 the residents in the district of Hillmond, twenty-five miles north east of the city, approached the Board with the prospect of building a Branch in Hillmond. The depression still hung heavily over the world. Money was hard to come by and Scotty Davidson realized this. The Co-op had no money to build extra stores, but Scotty also realized that he couldn't just sterilize the hope, desire and anticipation of these faithful customers. Shrewdly, he proposed that if they could raise \$1,000 worth of share capital, then the Lloydminster Co-op would build a store in Hillmond. Sure enough the money was raised and the store was built.

But regional development still didn't mean anything to the local Board. Hillmond paid for itself but there was no profit in it. It was a service to the district and really that was all it was intended to be. In 1958 the Marwayne, Alberta, Co-operative approached Lloydminster with the prospect of amalgamation. Later the same year Marsden did the same thing. But Lloydminster was still not thinking regional development or centralized co-operation, and thus dodged, opposed and discouraged the proposal. Besides Lloydminster had its own problems. There was need for re-organization, renovation and local expansion before Lloydminster could consider immersing itself in other people's problems. Secondly, the Board realized there had to be the earnest desire of both parties to make the amalgamation work. For this principle to be truly effective, the Board was convinced that amalgamation had to be brought about by the local people recognizing the advantages.

Between 1958 and 1960 the Co-op cleaned its own house. The Drug Department was moved and enlarged. The cafeteria was also expanded from a coffee bar until in 1960 it was the most modern restaurant between Saskatoon and Edmonton. It became the Board's intention to operate the cafeteria as a service department and thus operate at cost, without awarding dividends or patronage refunds. Property was purchased for parking on 50th Street. With television coming to town, a radio and television service department was also opened in the Centre. In the office new bookkeeping machines and a switchboard were installed making for better member service and satisfaction.

Strengthening of the department manager system was also undertaken, with pay schedules devised that considered the amount of responsibility involved. Doucet realized that within the whole office, new personnel was needed to cover the growing business. Ted Matheson became solely the Credit Manager. Many of the details of the manager's workload was dissipated through the staff. All this was done to effect the good business practice of the General Manager endeavouring to increase his direct relations with the Board.



By the end of 1960 there were 4,600 members in the Lloydminster Co-operation Association and it was growing at a rate of 40 new members a month. The Co-op operated a large retail department store, petroleum, lumber, service station, and home building departments. The annual volume had passed a million and one-half dollars with a net earning of 5.9%. The Hillmond Branch was approximately \$30,000 in volume.

Early in 1961 Marwayne was still desirous of amalgamation. On January 21, Mr. Doucet reported to the Board that he had on the previous Wednesday met with the Marwayne Board to re-discuss the possibility of merger. As a result of the report and pursuant discussion it was moved by J. T. Richardson and seconded by E. T. Holman "that the Association adopt the policy of viewing all proposed amalgamations with adjoining co-ops with an open mind and work towards amalgamations with these co-ops wherever it was advantageous to both", - and carried unanimously.

By January 28 Doucet announced to his executive that he had been approached by the president of the Neilburg board who indicated Neilburg's desire to discuss amalgamation. It was then felt that it was only right to write to Marsden who in 1958 also approached the board, and offer them the privilege of entering negotiation. To this Marsden responded without hesitation. It was generally felt that Neilburg, Marsden and Marwayne could be amalgamated during 1961 if the Lloydminster board agreed. However, the big 'if' was whether the grass-root membership in the proposed branches really wanted amalgamation or just their board members and whether the members were determined to support the co-op in the branch towns. It was agreed that the membership should first be acquainted with the advantages and disadvantages, the board work out the transfer agreements, and the membership be given the final vote.

During March and April membership meetings were held in Neilburg, Marsden, and Marwayne and all branches voted in favour of amalgamation. All that remained was for the Lloydminster membership to vote and favour the amalgamation which it did on June 7, 1961. August 1 the amalgamation took effect.

The result of these amalgamations on the communities has been most encouraging even though the initial capital expenditure for improvements and renovations has delayed any real profit or patronage refund return to the members.

In Neilburg, for example, the co-op has literally resurrected and renewed the community. Like most prairie towns Neilburg was a district of people put on the map by the Post Office department. Neilburg was put on the map in 1906. However, Neilburg's resemblance of a village or town was again only the outgrowth of the arrival of the railroad in 1923. The village grew. It weathered well the threat to its existence by the depression of the thirties and the war of the forties. However, the centralization of the fifties nearly buried Neilburg, but with vision and faith, co-operation resurrected Neilburg.

The co-op was started in Neilburg as a fuel co-operative in 1938 and in 1939 entered the bulk petroleum field. Outside of bulk orders for baler twine and other farm supplies the Neilburg Co-op was never a mercantile co-operative. Prior to amalgamation, Neilburg was strictly a petroleum operation doing a net retail volume of \$100,000, with \$9,000 bad debts on their accounts receivable. But with amalgamation a new store was built. The co-op had a responsibility to serve these people and to do it economically and effectively there was needed a change of premises and a vast realignment of services.

On March 8, 1962 a new co-op centre opened which carried a full line of groceries, produce and fresh meat with a resident full-time butcher. A partial line of dry goods was stocked and

a line of light hardware and farm supplies including pesticides, fertilizers and feed. The petroleum operation remained and is today with a new delivery truck and increased expanded storage facilities. What was a troubled \$100,000 petroleum operation became a \$375,000 operation in 1967.

There was considerable resentment toward the co-op in the early stages of its redevelopment just after amalgamation. It was feared that everything would have to close up but the co-op - it would be so strong. Now the opposite is true. There is generally good feeling toward the co-op and cordial relations exist between all merchants. There is widespread recognition that if the co-op had not reasserted itself, when it did, the town would have just folded up with time.

Merchants agree today that the addition of the co-op to the town has curbed the big rush to the city. It brings people into town for their weekly needs. When they stop at one place, they will go on to another until they fill their lists. Every merchant benefits in town when people shop at the co-op, for once they have made the stop in town they will attempt to satisfy all their needs there before travelling to the city. The demonstration of faith the co-op had in Neilburg and its people has encouraged renewed faith in the home town which only goes to add and build a better community.

Marwayne was a co-op that bought out an already established grocery business. Its basic problem was obtaining and maintaining good management. It was a \$75,000 volume business in 1961 that since its inception in 1946 had run the gamut of good guys and bad guys, honesty and dishonesty in managers. Some who were good managers didn't fit into the small community and some of the poorest managerial material became the 'nicest' guys in town. Coming up with the right one at the right time seemed the proverbial impossibility. Amalgama-

tion renovated the premises and placed a manager there who is still there, managing and living in the community and doing \$160,000 of business a year.



*Marwayne Branch  
Store.  
Newly enlarged  
opened  
September, 1967.*

Marsden was a Co-op that was in a rut. It had a capable manager who had done all he could do and the operation seemed stalemated. With amalgamation the manager was transferred to the \$750,000 grocery operation in Lloydminster and fresh incentive, with new younger personnel, revived co-operation at Marsden.

## 17. CONTINUED AMALGAMATION

With Lloydminster having four successfully operated branches in Marwayne, Hillmond, Marsden, and Neilburg, surrounding co-operatives began to see the advantages in amalgamation. What they could not see were the disadvantages. The small community co-operative could not visualize the many problems

which fall into the laps of top management and directors. There could be a little real understanding of the financial strain on co-operative money when patrons' dividends from one town or city are being poured into the renovation and redevelopment of another co-operative. However, this could be balanced with the more efficient use of funds and the need for less inventory.

Nevertheless, the small community co-operative wasn't eyeing the disadvantages. The advantages of amalgamation far outweighed any disadvantage that could be dimly seen. The co-op at Maidstone soon saw the flurry of new vitality and dynamic growth that hit Neilburg and Marsden through amalgamation. In 1965 they approached the Lloydminster Co-op for amalgamation discussions and negotiations.

Maidstone only entered co-operative enterprise in 1945 and had a history of unstable managership and betrayal within the ranks. In April, 1949 the membership called for the attestation of minutes, records and books of the Association and sorely discovered there were none. From this devastating experience the co-op not only lost its money, but members and the moral support of the community. From that time, with a management contract with Federated, Maidstone rebuilt its co-operative enterprise.



*Maidstone Branch newly enlarged opened September, 1967.*



However, the managers who came were young and inexperienced and Maidstone was too often used as a training ground or stepping stone on the road to the manager's personal advancement. If an experienced man was found, the association was unable to pay him sufficient to keep him for the long period which was needed to rebuild customer morale and members' support after the struggle of the early years of organization. With the vote to amalgamate being 100% in agreement, new enthusiasm was generated and this quickened the support and interest of the people of Maidstone in their co-op.

Operating from shacks and sheds throughout the latter part of the '40's, Maidstone built a new store in 1951 and in 1960 a \$10,000 expansion was undertaken to put in a lumber department. In co-operation with Lashburn, Maidstone was able to trade lumber for fuel oil. Through amalgamation Maidstone got its own Petroleum Delivery Service in 1966 a fertilizer bulk plant.

In 1964 the Wilton Co-operative Association board at Lashburn made representation to the Lloydminster Co-op for purposes of amalgamation also. Prior to the Wilton Co-op Membership meeting the Lloydminster membership voted for the merger in June, 1964. When the Wilton meeting was called and the vote was taken, the merger motion failed to get the required two-thirds majority which was needed, even though the vote did pass the simple majority. A minority group opposed to the amalgamation and led by Henry Lawrence, a former Federated Co-operatives Director, riddled the Lashburn district with so much distrust of Lloydminster and fear of loss of local pride, authority and ownership, that many people voted against the amalgamation.

The Wilton board, during the winter, organized information meetings and forums throughout the membership acquainting them with the advantages and disadvantages of amalgamation.

At their 1965 meeting, the full membership was out-from all three branches-Marshall, Lasburn, Waseca-and the vote was decidedly in favour of amalgamation. It was a fortunate thing that the amalgamation did not pass in 1964. By waiting the year people became informed and were ready for the merger and have subsequently continued to support their local branch of the co-op.

With the addition of the four branches voted in 1965, the Lloydminster Co-op had now eight branches. The effect of this upon the small communities has been to increase the purchasing power of the community as well as provide opportunity for greater dividends and benefits in co-operation in the years ahead. Quantity discount purchasing and bulk buying has lowered the cost of commodities. Uniform pricing, co-ordinated advertising and organized distribution and delivery have all added to the efficiency of the organization and lowered the price to the consumer.

The development of the branch system has enabled the co-op to offer complete services to the trading area. Indeed, without the close contact and co-operation of the branches and their members, distribution of propane, petroleum, and fertilizers would not have been available to the membership co-operatively.

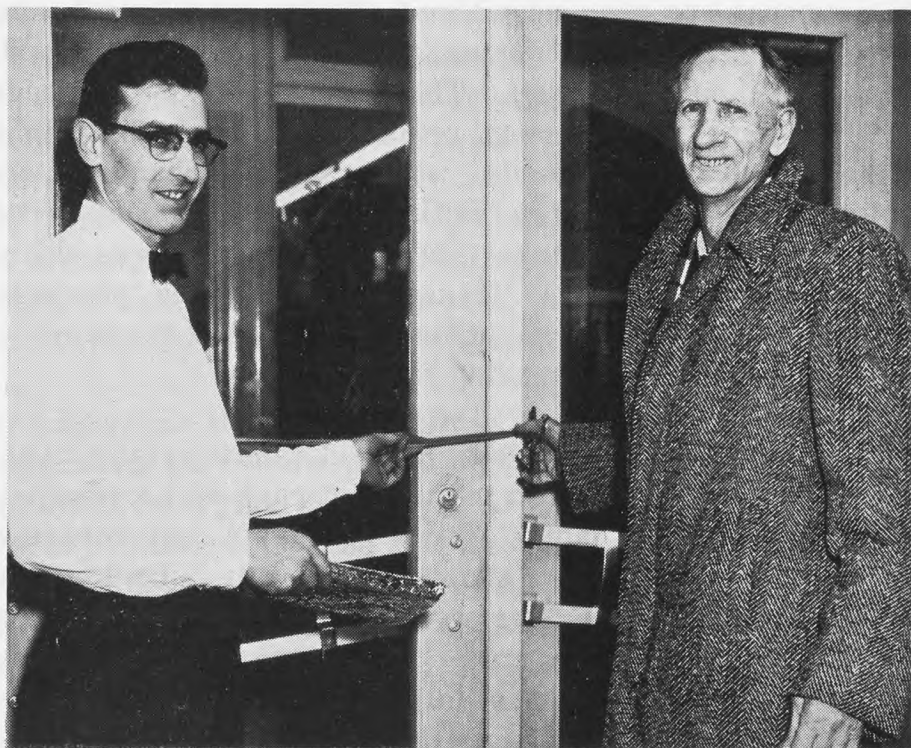
Co-ordination of staff through the network of branches has stabilized personnel. Training of staff, promoting of staff and transfer of personnel between branches makes for opportunity to all staff as well as better developed and trained personnel. This relieves the pressure of management replacement and certainly provides for stability to all branches, which on their own, endured some of the greatest struggles and difficult trials with management or obtaining suitable management.

Maintenance of records, accounting and control of finances can be done much more effectively. The control of inventories, as

well as expenses, all fall into this category and the physical assets of the total association can be far better utilized. These are results that have been effected and are a part of the regionally developed co-operative in Lloydminster.

In the years ahead, increased amalgamation can be expected to the west of Lloydminster. Mannville and Vermilion are already amalgamated. These are within the fifty-mile trading radius of Lloydminster. Vermilion has already made representations to Lloydminster. However, Dewberry Co-operative Association also desires amalgamation with Lloydminster. At present, Lloydminster would rather see Vermilion develop a successful merger with Dewberry and then amalgamate with Lloydminster. However, the organizational transition that this requires for Vermilion is phenomenal at this stage.

When Vermilion becomes a branch of the Lloydminster Co-op then there will be only one further point that should be serviced by co-operation in the Lloydminster trading area and that is Paradise Valley. Here is a community that has co-operative enterprise but no co-operative mercantile and it is a responsibility of co-operatives to provide goods and services for its trading area. When the Lloydminster Co-operative is now fulfilling its responsibility to those as far away as Maidstone and Neilburg, and if it takes on its responsibility for those at Mannville and Dewberry, then the Lloydminster and District Agricultural Co-operative Association will see that it fulfills its duty to the citizens of Paradise Valley



*Cutting ribbon of new store built in Neilburg immediately following Amalgamation.*

*Mr. Williams, pioneer - Neilburg District  
Branch Manager, George Beror  
April, 1964*

# 18. AS ONE THAT SERVES... I stand among you as one that serves

The Co-op has always existed to serve. The objectives of the association have always been to assist members and the community at large to "have life... and have it abundantly". From the time of incorporation in 1914 when there was a lot of produce and livestock to market but little cash available to buy the necessities of life, the co-op was organized "to produce livestock, grain or any kind of farm produce, to market the livestock and other farm products which the shareholders or others may produce, and to purchase farm supplies for shareholders or others upon the co-operative plan."

This purpose was changed in March 1947 to read "purchasing procuring, selling, exchanging, hiring and dealing in goods, wares and merchandising". This was subsequently amended in 1955 to read "purchasing, procuring, selling, exchanging, hiring and dealing in goods, wares and merchandise, construction and remodelling of buildings of all kinds and to carry on a general garage business". In 1959 the purpose was changed again to include the word 'transporting' between 'procuring' and 'selling'. But the emphasis has remained the same - to serve the people of the trading area.

Early it sought to serve. Peter Sermuks and his vision to have a building that would stand in the front rank of Lloydminster businesses, to have ladies' washrooms as a convenience and service to the people who shopped in the city, stand as monuments to the deep desire to serve these early co-operators had. The centre has undergone many changes with the times and has added many services to its members and the citizens of this community. It provided increased parking facilities in 1958 and again in 1965 which was not only a service to itself but also to this growing city of Lloydminster.

The board's decision in its Golden Anniversary year of 1964 to offer propane distribution, fertilizer bulk distribution and feed mill services cannot be interpreted as anything but offering complete services to the trading area. Up to this time propane distribution had been a small racket in which the minority were exploiting the majority. Patrons entered a ninety-nine year lease or "agreement" with the distributing agent whereby they rented the tanks from the supply company for \$60 a year and had to buy their fuel from them at 19¢ a gallon. The patron was charged \$10 for entering the "agreement" and \$15 for prematurely ending the "agreement" and he also gave up the tank he may have rented for twenty or thirty years. Under this "agreement" a patron after a few years may have paid for the fuel tank but he never owned it. When the co-op entered the field there was no "agreement". The customer bought his



tank. He could buy outright or on the monthly 'rental' basis but when the tank was paid for, it was the customer's tank. The co-op made no stipulation or prescribed agreement about where the oil was to be purchased either. It is only fair and competitive that a customer should buy where his money makes the most for him. The Co-op entered the field and charged 14¢ a gallon, and it was interesting that 19¢ propane at other companies soon became 14¢ as well. It is surprising what healthy competition will do for the economy.

For a long time the Co-op realized its service station was far too small for the demand placed upon it. In 1962 the Directors discussed enlarging the station to serve its customers, but Doucet pointed out that the service station expansion program should be delayed until property could be bought so as to bring the station closer to the centre. Ideally it was hoped that the Miner, Gulak Property, Shortell Auto Body and the old ice arena could be purchased and in that area develop parking facilities and a service station-automotive centre whereby members could park or have their cars serviced while they were shopping at the centre.



*New Service Station also opened Spring 1967.*



*Two of the 21 Delivery trucks in Co-op Centre Fleet.*

Through the years 1958 to 1963, Lloydminster and district was one of the major consumers of fertilizer on the prairies, and the Lloydminster Co-op the largest retailer in western Canada. In the light of this, the Lloydminster Co-op made a survey of

the cultivated land area, land use and fertilizer needs of the surrounding county, and municipalities. Maidstone was the second point in exceedingly high potential fertilizer sales and considering some of the newest trends in agriculture in the States, the co-op board decided that the most economical distribution of fertilizer in the years to come would be by a specially equipped truck that would go out to a farmer's field and with the particular mixed fertilizer his land needed, distribute the fertilizer for him.

To succeed in an operation of that kind there would need to be a bulk fertilizer plant that carried the basic nutrients and was capable of mixing the desired amounts of the desired chemicals to make the desired blend. It was seen by the boards of directors that this was a need for Lloydminster. With that vision and dedication to serve, the board in the fall of 1964 gave the go-ahead signal for a bulk fertilizer plant in Lloydminster and if amalgamation with the Lloydminster was successful in 1965, then a plant should also be erected at Maidstone.

Federated Co-operatives since early in the sixties had been considering manufacturing fertilizer. They were selling better than one hundred thousand tons of fertilizer in the three prairie provinces. Small 50,000-ton fertilizer plants were in operation on the prairies but none were able to supply Federated. Since 1955 Interprovincial Co-operatives had had one year supply contracts with Cominco, the largest manufacturer of fertilizer in Canada. Federated Co-operatives Ltd. had been supplied by Interprovincial and during this time Federated had in turn been supplying the U.F.A. and the Alberta Wheat Pool.

In 1963 all three Western Wheat Pools became members of Interprovincial Co-operatives Limited and commenced purchasing direct from Interprovincial Co-operatives Limited with

Cominco as the fertilizer supplier. As soon as it was reasonably certain that the Western Co-operative Fertilizer Plant would be built, it was decided that Cominco should be advised so they would have ample notice as far as losing the co-op business on finished fertilizers and also would have an opportunity to bid on supplying certain component materials to the co-op Plant. Interprovincial were assured by a representative of Cominco in February of 1964 that the Co-op would not be cut off supplies for the 1964-65 season. Much discussion and correspondence had taken place between Interprovincial and Cominco. The following quotation from a letter dated March 25, 1964, written by Mr. H. T. Fargey, Vice-President, Sales, to Interprovincial sums up the situation:

"Cominco has ample production capacity to fully satisfy the Western Canadian fertilizer requirements of Interprovincial Co-operatives Limited and its member co-operatives and has indicated its willingness to enter into a long-term supply contract at fair and reasonable terms and is still willing to do so. Mr. Hollage has advised us verbally that Interprovincial is not interested in entering into such an agreement. This being the case Cominco will be forced to arrange for distribution of that portion of its fertilizer sold in Western Canada under its Indian Brand Label through other channels and would, therefore, not anticipate renewing its agreement with Interprovincial Co-operatives Limited when it expires on June 30, 1964.

The long-term contract referred to as offered by Cominco was for 10 years, with a minimum of 100,000 tons per year, and discounts approximately 1-1/2% better than at present. Obviously, since Cominco had been happy with one-year contracts, this 10-year contract offer was designed to keep co-operatives out of fertilizer manufacturing.

So, throughout the year 1964-65, co-ops in Western Canada were without fertilizer. However, in 1965 the new 225,000 ton



plant was opened in Calgary and the local bulk plants are being amply supplied from that source. In 1966 the Lloydminster Co-op regained its supremacy as the major retailer of fertilizer.

With the new service the co-op has also developed a soil-sampling service whereby trained argologists test a farmer's soil so that the right fertilizer may be applied according to soil type and crop varieties grown. Scientific farming is here now and the co-op is here to serve the trading area.

To round out its service to the trading area prior to our country's centennial, the co-op also realized the need for a feed Mix Mill. In a day when the population is exploding there are more mouths to feed and beef can only be raised so fast, to reach the market, science has stepped up the rate at which animals can develop and be sent to market. Working in close co-operation with the University of Saskatchewan, the Lloydminster Co-op is opening a feed mix mill whereby farmers can bring their own grain to be processed by scientific means to up-to-date standards so that animals can have the greatest nutrition in the quickest time and thus they can be marketed promptly.



*New Feed Mill opened April 1967.*



The implications are far-reaching and the advantages innumerable to the farmer. One of the technicalities confronting the project was the Wheat Board regulation governing the sale of grain. Farmers are unable to sell grain across a provincial boundary but through the co-operative feed mix mill and for the purpose of feed grain they can. Another problem was that the farmer sells his grain to the Wheat Board at wholesale prices. The feed mix mill has to buy grain from the Wheat Board, process it and sell to the farmer at retail prices. Through co-operation the farmer now brings his grain in, has it processed and takes it home only paying for the process of milling and mixing.

This \$250,000 plant will be in operation in Lloydminster in 1967 and the variation and advantages it provides are stimulating. Grain will come in to be ground and it can leave as ground meal or 'chop'; it can be rolled or mixed with other nutrients as an enriched 'chop'; or it can be steamed and pelleted and mixed with molasses. The concomitant variations provide a smorgasbord gourmet for the modern beats of the field. It is visualized the co-op bulk distributing truck going into a farmer's field with fertilizer will leave with a load of grain for the feed mix mill and by the time the truck gets turned around to go back to the farmer, the truck will be loaded with a vitamin enriched molasses oat delicacy that can be delivered to the farmer's bin or right into the feed-lot.

This new project will be just another service of the co-op farm supply. It is interesting that 'farm supply' began as an 'extra' in the lumber yard and grew until it had a building of its own and had to be divorced from the lumber department in 1963. When propane distribution began in 1964, it was connected with farm supply until both were mature in themselves and were separated in February 1966. However, farm supply alone in 1966 has done a volume of \$240,000 and with fertilizer and feed mix mill operations it is predicted that this department will do a half-million dollar volume in 1967.

The Lloydminster Co-op has always stood open to serve the people of the community and this is even verified by its stand in regard to its hours open for business. Back in 1938 when the council passed a city by-law closing a business Wednesday afternoon, President T.C. Taylor attended a council meeting and was thoroughly disturbed by the autocratic action of town council. Businesses were to be closed Wednesday afternoons from January 19 to April 30, and they were never consulted prior to the enactment of the by-law. When he reported back to the February board meeting and to the annual meeting in March, President Taylor revealed that 10% of the business on Wednesdays was done in the mornings and 90% in the afternoons. While he conceded that he could see occasion to close Wednesday afternoons in the summer, Wednesday closing not only meant a loss of sales but it also restricted the opportunity to serve the public for whom they were in business.

"The public for whom they were in business" has always been at the heart of the co-op decision regarding hours of business. In 1959 with the coming of television to the city, pressure was created by the Chamber of Commerce and businessmen to commence consideration of having a night other than Saturday for late-night shopping. Saturday night shopping Lloydminster, as in many Saskatchewan communities, was an institution and a social tradition rather than a need. Indeed there was no need for Saturday night shopping all winter or all summer, but there was need during the spring planting and the fall harvest operations. Businessmen pressured for a change and the farmers did make it clear that the national Saturday night hockey game was more appealing than coming to town, but they did desire Saturday night for the busy season.

In 1959 the consensus of opinion among businessmen favoured Friday night shopping but the co-op refused to concede the right and the desire of the customer public. There were three groups of people involved—the merchant, the employee and the customer. Those who held out for Saturday night shopping

were they who honestly considered the agricultural consumer. Merchants were seeking to draw new markets with Friday shopping by drawing in the small town employees who themselves had to work Saturday night. However, there was one technicality that legislatively could be applied to shop Friday night shopping. In Saskatchewan the law only allowed Saturday night shopping and those who were open Friday night were breaking the law. Loss of the farm trade was also affecting them by closing Saturday night and staying open only Friday night. From 1960 through to 1963 the community was stale-mated and feelings ran high.

In 1964 the co-op examined its position and was prepared to offer a compromise. Volume and business from eight to nine Saturday evenings did not really warrant staying open. Could not the business stay open Saturday evening till 8 p.m. ? The Co-op polled their staff and they were in agreement; indeed the staff agreed to stay even till 9 p.m. if the store closed Saturday at 6 p.m. during July and August. This quickened the proposal of the co-op and it became the policy of the community. Indeed it was voted 42 for, out of 44 businesses. By late November a few antagonists for Friday night shopping declared they were staying open Friday night and Saturday night. This action was to be the true test of the strength of the Chamber of Commerce. Would they allow this? Would the business continue co-operation or would avarice and greed rule the day and defy the law? The business pulled together, initiated legal action against those who stayed open Friday night, but once the suit was begun, the offending businesses conformed.

With a new Liberal Government in Saskatchewan, legislation was enacted in the spring of 1965 that permitted businesses to stay open one night a week, either Thursday, Friday or Saturday. This re-opened the desire to have Friday night shopping. At the annual meeting in June the membership voted to have Saturday night shopping. However, at the August meeting of the board it was decided that commencing September 3

the board centre would remain open Wednesday mornings (it had been closed all day) and would remain open Friday evenings.

Mr. Doucet in a news release described the Co-op position this way:

"This decision is somewhat at variance with the recommendation approved by the annual meeting, however the directors agree that going it alone, the co-op could not maintain Saturday night shopping in Lloydminster; machine agents, etc. had adopted Friday night shopping and changes in shopping habits made it necessary for the co-operative to re-assess its position.

"A major factor in the re-assessment was the increased volume enjoyed by the branch stores on Saturday nights in the neighbouring towns. The branch stores will continue to remain open Saturday nights to serve the farming public. Changes in the policy had been brought about as a result of the study of the shopping patterns since the amalgamations of the central and the branches, and the introduction of a uniform pricing system. It has always been the policy of the co-op to provide the majority of their members with their wishes and the rural customer will not come to Lloydminster Saturday night for only one store when they can buy their weekend supplies as economically in their own home town as in the city."

Fifty years of service, aggressive, modern efficient service; and rightly the Lloydminster Co-op can proudly claim it stands among us "as one that serves".

## 19. FROM A GLORIOUS PAST TO A VISIONARY FUTURE

When there is no vision, the people perish

At the 1945 annual meeting E.F. Scharf, the acting editor of the "Co-op Consumer" addressed the gathering. He alluded

to the inferiority complex, the small cautious attitude that sometimes infests co-operative people as a grasshopper complex. "The Lloydminster Co-op, he told them, was setting the pace for other co-ops in Saskatchewan. Barr Colonists, he said, had shown the way to build a better order for ourselves and descendants and likened our problems of today with the Promised Land and "grasshopper complex" of Joshua's spies. The spies had been stated that it was time we stopped regarding ourselves as such small beings in the light of present day problems.

International relationships, permanent peace, security, health, social and community services were all matters which needed sound judgement and guidance. Where there was no vision or courage in meeting these situations the people suffered. Many people believed that the solution of post-war problems lay in the adoption of a "statism" with a wide variety of state control. Others believed in the old system of free enterprise. Co-operators believed in the co-operative way, said Mr. Scharf, a middle course, and one which he believed would succeed. He quoted the example of the 100-year trial of the Rochdale experiment, the birth of co-operation.

Approximately half of co-operators in Canada are in Saskatchewan and one out of every three adults in this province is a co-operator, said Mr. Scharf, and gave a variety of reasons as to why people were members of the co-operative movement, the dividend being by no means the one incentive.

Scharf was encouraging as well as challenging the world. One out of every three adults in Saskatchewan were co-operators. This was no mean community. These were numbers that could be counted on to rise up and be an army in a great cause. But he was also challenging them. "International relationships, permanent peace, security, health, social and community services were all matters" which needed attention. Broaden the base, extend co-operation was his clarion call.



The history of co-operation in Saskatchewan was evidence for the truth of Scharf's remarks. Beginning as a network of unrelated associations in 1914, springing up all over the province in 'sprinkled pepper fashion, to be united with a wholesale in 1929 and to extend into manufacturing during the thirties. The growth and extent of co-operation in Saskatchewan was and is the evidence of what can be accomplished when people co-operate-fulfilling Dr. Wm. King's observation-"your strongest weapon is your purchasing power, provided it is organized."

In 1938 there was board discussion over developing a co-operative bank but it never became more than discussion. In 1943 the Lloydminster Credit Union was organized and the co-op opened its doors to house this independent expression of co-operation. The first office of the credit union was in the board room of the co-op centre when it operated Friday afternoons. From there it moved into a room which is now the credit manager's office. Then to the basement, back up to the board room as it grew and expanded under the leadership of Hardy Salt and the secretary-managership of E. Harold Davies. In October 1946 Graeme Riome became secretary-manager and during his term the operation moved to the Stuart Wright Building. Then back to the basement of the co-op in 1953, upstairs to the grocery office in 1954, in the new addition, and finally in 1957, the credit union bought property and build its own home. But the co-op was there broadening its base of co-operation in the community.

In the late twenties a desire was felt to go into the funeral-mortuary business but the fire of 1929 halted any enterprise the Association might take in that direction. However, in 1945 the directors realized a need to assist members in the cost of funerals. It advised a mutual funeral benefit whereby the total purchases of the former three years were averaged and a ten percent payment was made in the form of a funeral benefit. In 1948 the amount was increased to fifteen percent and

this greatly aided and was appreciated by the members. This benefit carried on through the fifties and up until the amalgamations in 1961. In 1962 two things contributed to the withdrawing of the benefit. The first was that it created inequality within the association. The Mutual Funeral Benefit could not be paid to members of the association belonging to Marwayne Branch. Rightfully, legally it could not be paid to Alberta residents but this was not discovered until amalgamation with the Marwayne Branch. The Insurance Act of Alberta did not allow such payments, as such funds were in contravention with that Act.

However, secondly, with all the amalgamations of 1961, it was becoming increasingly apparent that the fund was extremely unwieldy. The training area was increased, more people were involved, with more people passing away, it was growing apparent that the co-op board, administrators of the fund, did not always know when a member passed away. This kind of embarrassment as well as the adverse publicity of creating inequalities within the association brought the withdrawal of the fund to the membership.

Yet the co-op increasingly envisioned new ways to extend co-operation and broaden its service. The Mutual Funeral Benefit was no sooner withdrawn when the Saskatchewan Medical crisis broke loose that offered Medicare to the citizens yet drove the majority of doctors to strike. It was in this period that the concept of the community clinic, co-operatively organized, came to the fore. Community clinics were not new to Saskatchewan. As Dr. Sam Wolfe, medical consultant of the Saskatchewan Community Health Service Association wrote:

"Community co-operative medicine has existed in Saskatchewan for well over 40 years. The final report of the American Committee on the Costs of Medical Care in 1932 recorded the observation that 30 or more rural municipalities in Saskatchewan

employed one or more physicians to provide medical services. Part of this report states that "The costs are so distributed that no individual patients or families are heavily burdened.

Early consultation is encouraged, yet there is little tendency among patients to take up the doctor's time in trifling ailments. Preventive measures are utilized freely. Some of the doctors say that their relations with their patients are more cordial than when a fee was charged for each service, and they are saved much financial worry and clerical detail. No community in Saskatchewan which had adopted the municipal doctor plan has abandoned it. These plans reached a peak of development in 1947 when well over 20% of the total population of the province was covered by the services they provided. Even as recently as 1959, 120 rural municipalities, representing over 17% of the population of the province, provided coverage under these co-operative plans.

"The majority of householders in the province are members of at least one co-operative organization. Co-operatives have played a major role in the development of the economic and social structure of Saskatchewan. These co-operatives have based their philosophy on the teachings of the original Rochdale pioneers and this co-operative philosophy has played a major part in shaping social attitudes across the province. For co-operators in Saskatchewan the concepts of tax-financed medical care and of close working relationships between providers and consumers of medical care are part and parcel of their total philosophy.

"The origins of the community clinics lie in the acceptance of the five major challenges that confront society today, in the field of medical care:

- 1) The expanding body of new medical knowledge.
- 2) The revolution in public attitude from one of indifference to one of firm belief in the individual's right to health.

- 3) The rising demand for health services coupled with the willingness and the means to pay for comprehensive care.
- 4) The growth of prepayment and insurance programs.
- 5) The growth of group medical practice, to apply new medical knowledge in providing comprehensive health service to people.

"The concept of consumer-sponsored comprehensive group practice was not unknown to many persons in Saskatchewan. This concept has captured the imaginations of many of the general public and of sizeable numbers of doctors in North America over the past decades. It seemed natural for many persons in Saskatchewan to attempt to develop consumer-sponsored group practice, given the framework of the tax-financed insurance program.

"In anticipation of the withdrawal of normal services by the majority of Saskatchewan doctors, by late June of 1962 groups of consumers of medical care had begun to arrange for the provision of medical facilities in order to assist doctors who wished to continue practice under the Medical Care Insurance Act. A small number of doctors, even before the withdrawal of services, co-operated with these citizens. The emotionalism engendered by the 23 days during which normal medical services were suspended in Saskatchewan in July of 1962, provided further momentum for the establishment of more of these citizens' groups. The first co-operative Clinic established by these citizens was opened on July 1, headed by Dr. O.K. Hjertaas of Prince Albert, and the second on July 3 in Saskatoon, staffed by Dr. Joan Daphne Witney.

"The propriety of this action by citizens was agreed to by the members of the medical profession in Saskatchewan, in the so-called Saskatoon Agreement which was signed on July 23, 1962, as a result of the mediation efforts of Lord Stephen Taylor:

"There may be places where few or no doctors have enrolled for direct payment by the Medical Care Insurance Commission, so that patients are denied the choice of such doctors. It is not for the Commission to appoint doctors in such places. The remedy is in the hands of the citizens themselves. They can establish premises and invite doctors who wish to enroll for direct payment to rent such premises and set up practice in them. If citizens wish advice about establishing such premises and assistance in choosing such doctors, this can be made available by the Medical Care Insurance Commission. In some small places, citizens may want a doctor where there is no medical need and where a doctor's skill would be wasted.

"That is why the Commission must be able to advise citizens before they make a final decision to establish premises. The interests of such enrolled doctors must be safe-guarded from improper citizen pressure. The role of the citizen group in the provision of insured services must be limited to that of landlord. The only condition which the citizens can properly lay down is that the doctor or doctors in their premises shall be enrolled for direct payment. Unless abuses arise, there is no legislation needed here.

"Thus, the origins of the so-called community clinics were complex, and lay in the background experience of the co-operative movement of the province, in the knowledge of some of these co-operators about consumer-sponsored group practice in other places, in the desire of many persons, including some doctors, to reorganize medical services within the framework of a tax-financed insurance program, in the emotionalism engendered by the withdrawal of normal services by the majority of Saskatchewan doctors, and in the Saskatoon Agreement which ended the withdrawal of services."

When a community clinic was organized in Lloydminster it was



due to the reluctance of local doctors to work under the Saskatchewan Medicare Scheme. A one-doctor operation was established in 1962 but soon outgrew its own facilities and there developed the need for more doctors as well as new quarters in 1963. The co-op board was approached to assist in this venture and thus they began to determine how a Retail Co-op could relate to a medical service co-operative, increasing services to the trading area that were urgently needed. In a prepared paper, Mr. Doucet wrote:

"The writer has had the privilege of reading the article entitled (Saskatchewan's Clinics) written by Dr. Sam Wolfe - has been accepted for publication in the Canadian Medical Association Journal.

"The only tragedy in regard to this article and the medical people involved is the fact that highly skilled doctors find it so difficult to receive co-operation from consumer co-operatives.

"The primary objective of consumer co-operatives must be to provide goods and services to its members. Community clinics are needed services and it is time we realized that retail co-operatives should broaden their base and assist in providing the complete service required by the consumers. We spend terrific sums of money in consumer co-operatives today expounding co-operative theories and philosophies and attempt to create further demands for goods and services which are now being supplied. Too many of us have failed to recognize the need when it presents itself and in the opinion of the writer co-operatives should play a greater role in assisting to overcome the problem of medical service. All there requires to be done is for the theorists and executives to get back to earth and examine the objectives of the consumer co-operative movement as Dr. Hjertaas and Dr. Sam Wolfe have done and then be prepared to accept the challenge and play their part. Robert Owen (1771-1858) proved it was not possible (while his plan was ideal) to supply services to people, unless they became involved. Dr. Wm. King (1786-1865) a

physician who early in life became interested in emancipating the worker from slavery, recognized the weakness of human nature and thus realized co-operation would never come from the top down. The failure of Owen's plan, made Dr. King see that any reforms must be established by the people and not for them."

The Lloydminster Co-op co-operated with the Co-operative Community Clinic in leasing them premises that would afford them the facilities to operate a clinic as it should be. In the initial six months of planning and organizing the co-op board signed a management agreement with the clinic co-operative that permitted Mr. Doucet to devote time to the organization and renovation of the clinic. That management agreement ended in September, 1964.

The Community Clinic has witnessed many trials and difficulties in the first two years of operation but when a medical team is organized and can be brought to the city as a team, then this clinic can have every chance to succeed.

The co-op co-operated with Mr. Ken Newell in building the the new Voyager Motel which has increased the tourist facilities of the city. It contributed the furnishings of a room in the Saskatchewan Senior Citizen's Lodge - jubilee home. A community partner in local endeavour, the co-op has also contributed to local minor baseball, curling and in 1966 has donated a \$50,000 skating rink in exchange for the property of the old arena. It donates a trophy to the Lloydminster Exhibition and an award to the Music Festival. The co-op has always tried to encourage youth as well. Through the 4-H Calf Club movement at their spring sale of calves, the co-op has over the years bought the grand champion or the reserve champion or both. In 1966 the co-op bought the grand champion and the sixteen district club champions. The Co-op is also beginning a program of opening their board meetings

to youth groups so that insight may be gained into how a co-operative is run. Each director is presently encourages to seek out a youth of high calibre, a young man who is the type and conviction that would make excellent director material for the future. For the last three years the co-op has assisted many of its members in travelling abroad by organizing charter flights to England at reduced cost. Constantly the co-op is envisioning ways to extend its co-operation to built a better community.

This has not been without cost and sacrifice. In September 1962 Mr. Doucet without prior consultation with the directors had the magazine display section 'thrown out'. In 1961 it was agreed that some magazines should not be carried in a family shopping store and a request was made to the suppliers to leave out certain titles and generally clean up the display of standard literature. But the supplier refused to co-operate and Mr. Doucet felt his responsibility to the members to dispense with the entire display.

Doucet's argument was that co-ops were family shopping stores and while they would not dispense tobacco to minors knowingly, in like manner they had a moral and ethical obligation to offer literature and magazines of decency and quality. While the public have a right to purchase any type of merchandise they desire, Co-ops have consistently sought to offer high quality merchandise and so why shouldn't this also apply to literature and magazines. For associations to sell questionable material lent itself to a questionable image and undermined the standards of an ethical merchant.

The reaction to all this was mixed. The Edmonton Journal sent a reporter down to interview the manager and he tried in in his article to plant the idea that co-ops were throttling free enterprise and advocating censorship. Mr. Doucet pointed out every manager has the unquestioned right to select as high a standard of newsstand items as he wishes and he was only

desiring to have high class material. On the other hand, as a result of their action, the co-op received many letters from doctors, ministers, home and school associations and private citizens, complimenting them on the stand taken.

There have been other problems to face and overcome - the least of which has not been the taxation problem of the city of Lloydminster. Being a city of two provinces, straddling a provincial boundary, where conflicting conditions, laws and practices exist, has created tensions that have created 'interest' for the city but has also worked a canker in local business.

The liquor tax is a good example of how tax can affect Lloydminster business. There are two government liquor stores in Lloydminster, a Saskatchewan and an Alberta store. The Saskatchewan store is a one-man operation, the Alberta store has three men employed; and the only reason they were not two and two is because the higher tax in Saskatchewan made the Alberta store the busier one.

The "dramatis personae" of the tax problem in Lloydminster have been the Saskatchewan Sales Tax, gasoline tax and tobacco tax, particularly when in Alberta there is not sales tax and there is disparity between the provinces in gasoline tax and tobacco tax. Tax problems and Lloydminster began in 1930 when Alberta had a sales tax and Saskatchewan didn't. But the depression helped the situation then. Who had money to pay sales tax when they didn't have the money to contract a sale? In 1934 Saskatchewan initiated a sales tax and while it applied everywhere, nobody ever collected any in Lloydminster and nobody ever really tried.

In campaigning for the premier's office in 1964, Ross Thatcher made the statement that there would be no inequalities among the citizens of Saskatchewan if he were elected premier. He probably was referring to the Indian-Metis problem but a

Maclean's Magazine reporter doing a little research for an article came across this choice bit and challenged the premier with it one day in regard to the citizens of Lloydminster not paying the sales (education) tax.

Thatcher being consistent with himself reported they would pay it or be prosecuted for not paying it. Thus the 'fun and games' really began.

In 1957 the gasoline tax which exists in both provinces became unequal when the Saskatchewan tax was higher than Alberta. But at that time the Saskatchewan provincial treasurer saw fit to make a compromise with Saskatchewan service station operators whereby they could sell their gas at the same price as Alberta operators and pay a token tax on the difference between the Saskatchewan and Alberta tax.

In 1965 Saskatchewan came out with a tobacco tax and this with the sales tax became a real thorny problem for Lloydminster merchants. Lloydminster merchants have always maintained they could not collect the tax because of their proximity to Alberta merchants who do not have a similar tax to contend with. Taxable goods in one province could be easily bought across the street with no tax and thus the tax discriminated against the Saskatchewan merchant. The government's problem was that neighbouring towns complained that they couldn't collect the tax and compete fairly either as their clientele purchased in Lloydminster.

The Lloydminster Co-op realized the dilemma of the situation and took leadership in trying to solve the problem. The best solution lay in the direction of the 1957 Gasoline Tax Agreement or the Government would have to establish a custom depot and institute their own policing detail for that purpose. The latter course would be most regrettable for both the city and the province. Hearings and conferences to settle the dispute went on for over a year and it was in 1966 that a settlement was reached and the dilemma resolved.



It has been through struggle - sacrifice - service that the Lloydminster and District Agricultural Co-operative Association has fashioned its durable character and virile strength. The years have been regarding and co-operation has stood well the test of time. Co-operation has been the founding rock and the building principle in the past fifty years of expanding service to Lloydminster and district. It is in this faith that its members move ahead and trust the second fifty years of co-operation in the Lloydminster trading area will be as glorious as its past.



*Co-op Lumber  
Yard officially  
opened 1960.*



*Farewell to 3 Department Managers - taking on greater  
responsibility in Co-ops elsewhere.*



*Staff Training - course held for employees winter of each year.*



**Maritime Services Co-op Retail Managers Conference**

**Occasion:**

Willard Dernier General Manager - M.C. Services  
 L. J. Doucet Chairman M.A.C. Western Canada  
 Gerald Arsenault Chairman M.A.C. Eastern Canada

L. J. Doucet representing Western Retail Co-operative s  
 at Annual Maritime Co-op Services Managers Conference  
 in Moncton, New Brunswick - March 1967.

## *Fifty Years of Service*

It gives me great pleasure to extend greetings on behalf of the Government of Alberta to The Lloydminster & District Agricultural Co-operative Association Limited, on the occasion of its Golden Anniversary, marking Fifty years of service to the people of the Lloydminster trading area.

This Co-operative can be said to exemplify the true spirit of co-operation when it is considered that provincial boundaries have in effect been erased and a wide area of both Saskatchewan and Alberta have benefited from the available services over the years.

While it is true that the registration of the co-operative under the Alberta Co-operative Associations Act did not take place until August 3, 1961, this did not affect the way in

which all who wished to do so were able to benefit from membership.

The fact that your services have been modified and expanded throughout the years to change from a small pioneer organization, allowing members to trade their wood, livestock, etc. for merchandise, to the modern department store with farm supply, petroleum and lumber facilities which the members now own, points up the fact that board and management have kept up with changing times and altering conditions.

The people of the Lloydminster area can be justly proud of the achievements of their Co-operative over the past fifty years and it gives me great pleasure to bring greetings from the Alberta Government to you on this happy occasion.

*Ernest C. Manning,  
Premier of Alberta.*





